NOTICE OF STAKING
(Not to be used in place of
Application for Permit to Drill Form 3160-3)

6. Lease Number
ML-43691

1. Oil Well [X] Gas Well [ ] Other (Specify)

7. If Indian, Allottee or Tribe Name

2. Name of Operator:
Chevron USA Inc.

8. Unit Agreement Name

3. Name of Specific Contact Person:
Jan Watson 303-930-3691

9. Farm or Lease Name
Cane Creek State

4. Address & Phone No. of Operator or Agent
P.O. Box 599, Denver, Co. 80201

10. Well No.
#1-36

5. Surface Location of Well

Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit.
b) Topographical or other acceptable map showing location, access road, and lease boundaries.

11. Field or Wildcat Name
Wildcat

12. Sec., T., R., M., or Blk. and Survey or Area
Sec. 36, T27S, R20E

13. County, Parish or Borough
San Juan

14. State
Utah

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15. Formation Objective(s)	16. Estimated Well Depth
Paradox	7,000' TVD 9,000' measured

17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)

18. Signed Jan Watson Title Technical Assistant

Date 5/10/91

Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:
a) H_2S Potential
b) Cultural Resources (Archaeology)
c) Federal Right-of-Way or Special Use Permit

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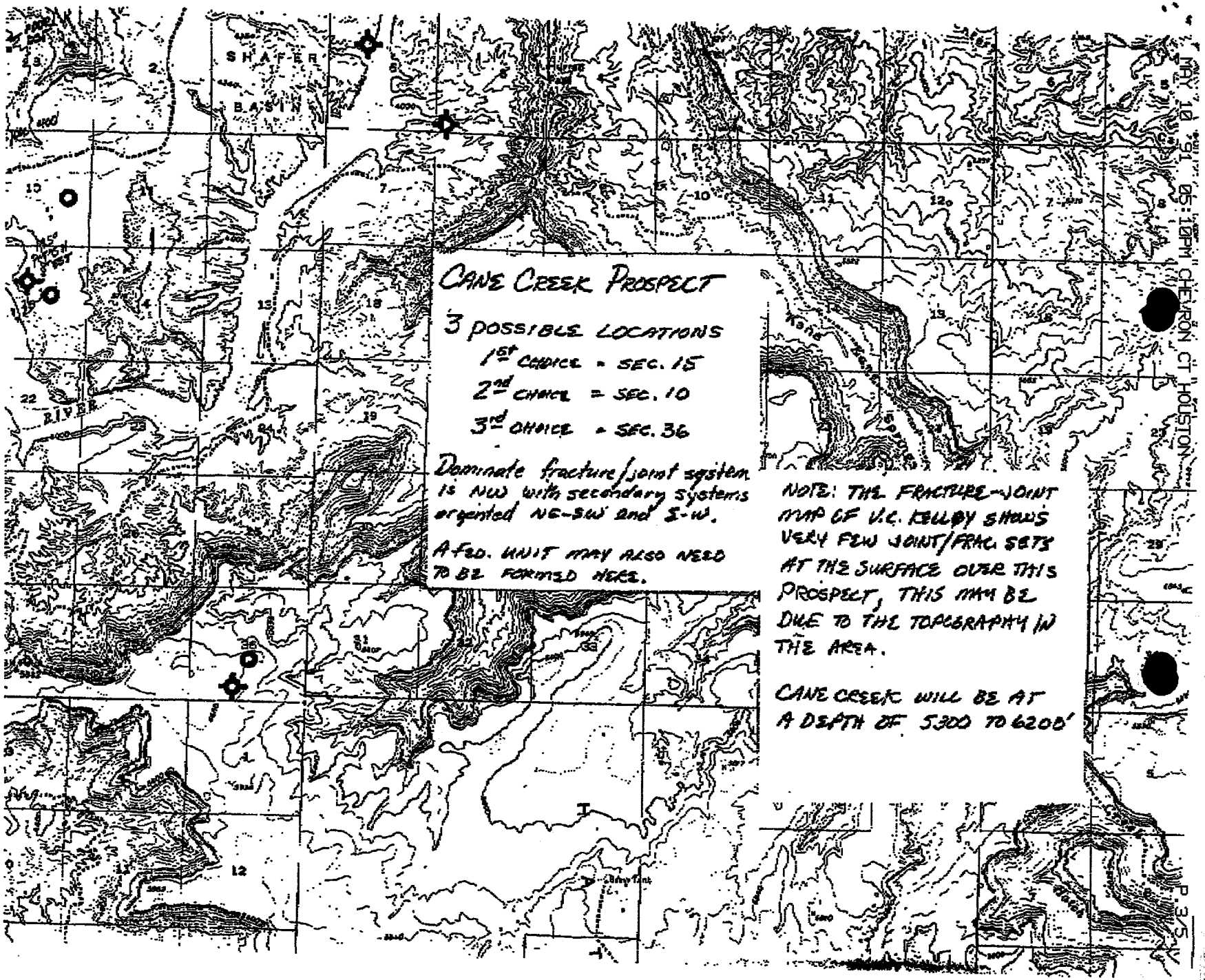
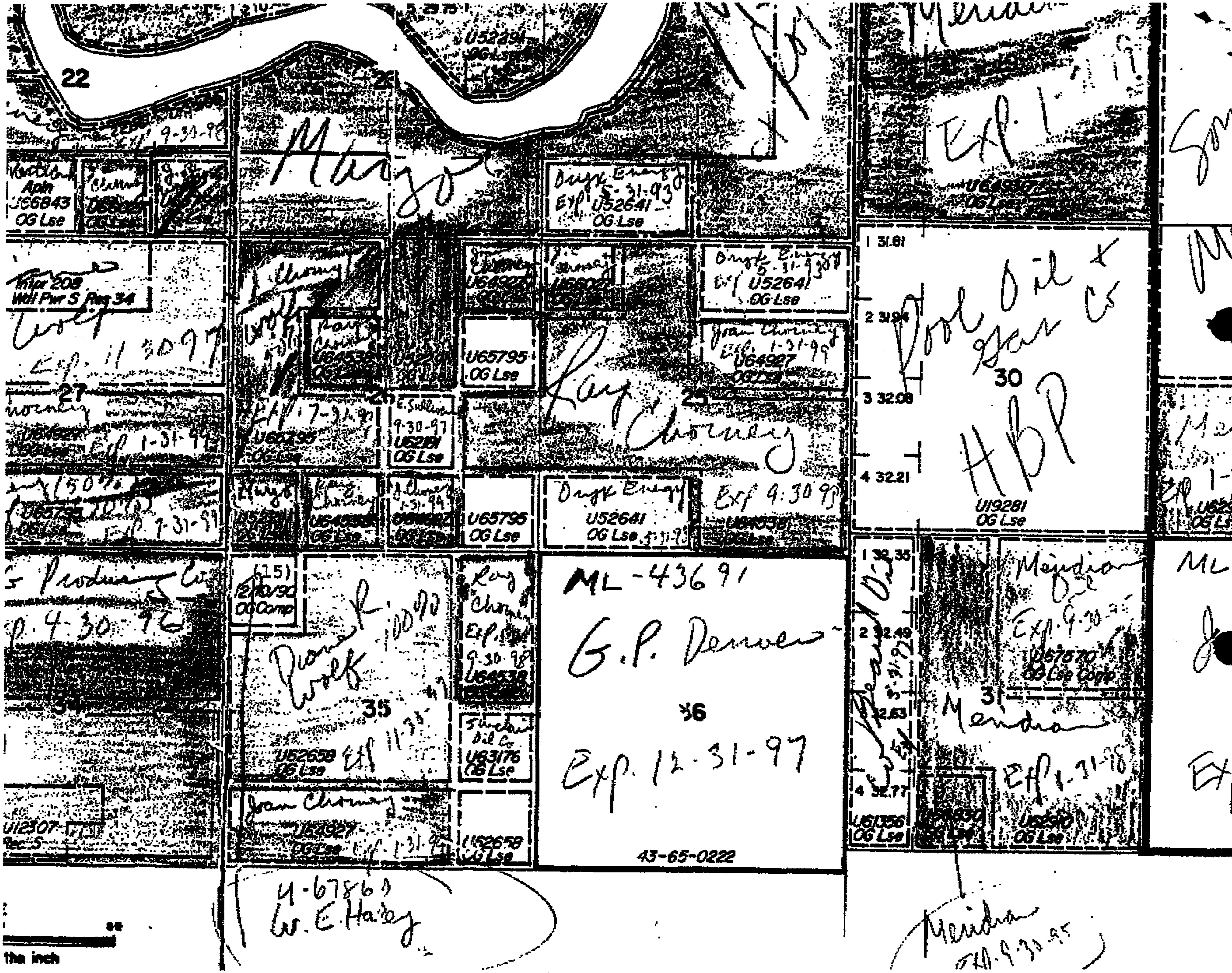
(IMPORTANT: SEE REVERSE SIDE FOR INSTRUCTIONS)




22
U52291 OG Lse
Exp. 9-31-93
Margo
U66843 OG Lse
Exp. U52641 OG Lse
U64930 OG Lse
Exp. 1-31-99
Tr 208 Wall Pwr S Reg 34
U52641 OG Lse
U64927 OG Lse
Exp. 11 30 97
U65795 OG Lse
Ray Chorney
U64538 OG Lse
30
Pool Oil & Gas Co
HBP
U65795 OG Lse
U62181 OG Lse
1 31.61
2 31.94
3 32.08
4 32.21
Exp. 1-31-99
U19281 OG Lse
U62910 OG Lse
Exp 9.30.93
U65795 OG Lse
U52641 OG Lse
Exp. 9-31-99
(15)
12/10/90
OG Comp
ML-43691
G.P. Denver
36
Exp. 12-31-97
43-65-0222
35
Exp. 4-30-96
U52658 OG Lse
Sinclair Oil Co
U63176 OG Lse
U64927 OG Lse
Exp. 1-31-95
U52658 OG Lse
U67570 OG Lse Comp
31
Meridian
Exp. 9.30.95
U61356 OG Lse
U62910 OG Lse
1 32.35
2 32.49
3 32.63
4 32.77
U12307
U-67861
W. E. Haley
Meridian
Exp. 9.30.95
the inch

Form OGC-1a

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. Lease Designation and Serial No.: ML-43691

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

6. If Indian, Allottee or Tribe Name:

1a. Type of Work: DRILL [X] DEEPEN [ ] PLUG BACK [ ]

7. Unit Agreement Name:

b. Type of Well: Oil Well [X] Gas Well [ ] Other — Single Zone [X] Multiple Zone [ ]

8. Farm or Lease Name: Cane Creek State

2. Name of Operator: Chevron U.S.A. Inc.

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9. Well No.: #1-36

3. Address of Operator: PO Box 599, Denver, CO 80201

10. Field and Pool, or Wildcat: Wildcat 001

4. Location of Well (Report location clearly and in accordance with any State requirements.)
At surface: 2442' FEL, 2138' FSL NWSE
At proposed prod. zone: 1028' FEL, 1728' FNL

11. Sec., T., R., M., or Blk. and Survey or Area: Sec. 36, T27S, R20E

12. County or Parrish: San Juan 13. State: Utah

14. Distance in miles and direction from nearest town or post office*: +61 miles southwest of Moab, Utah

15. Distance from proposed* location to nearest property or lease line, ft. (Also to nearest drlg. line, if any): 2138'

16. No. of acres in lease: 640

17. No. of acres assigned to this well: 640

18. Distance from proposed location* to nearest well, drilling, completed, or applied for, on this lease, ft.: NCNCR

19. Proposed depth: 1) 7150' TVD/7318' MD 2) 7040' TVD/8800' MD

20. Rotary or cable tools: Rotary

21. Elevations (Show whether DF, RT, GR, etc.): 5848' GR

22. Approx. date work will start*: 8/1/91

23. PROPOSED CASING AND CEMENTING PROGRAM

Size of Hole	Size of Casing	Weight per Foot	Setting Depth	Quantity of Cement
24"	20"	94	80	Cmt to Sfc
17½"	13-3/8"	68	700	Cmt to Sfc
12¼"	9-5/8"	47.0	4600'	Cmt to Sfc
8½"	7"	26	7040' TVD/8800' MD	Cmt to 9-5/8" csg F/top of production interval, slotted liner in lateral section.

TECHNICAL REVIEW
Engr. 7-11-91
Geol. 6/26/91
Surface 6/25/91

Note:

Item 19 - Well is to be drilled directionally at approx. 45° to 7150' TVD/7318' MD to evaluate the Cane Creek, then plugged back and drilled horizontally into the Cane Creek at approx 7040' TVD for a horizontal displacement of 2000' from surface at N 45° E.

Item 23 - 9-5/8" casing is to be set approx. 500' into the top of the salt.

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IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: If proposal is to deepen or plug back, give data on present productive zone and proposed new productive zone. If proposal is to drill or deepen directionally, give pertinent data on subsurface locations and measured and true vertical depths. Give blowout preventer program, if any.

24.

Signed: J.R. Watson Title: Technical Assistant Date: 6/18/91

(This space for Federal or State office use)

Permit No. 43-037-31631 Approval Date

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7-11-91
BY: JR Matthews
WELL SPACING: 615-3-3

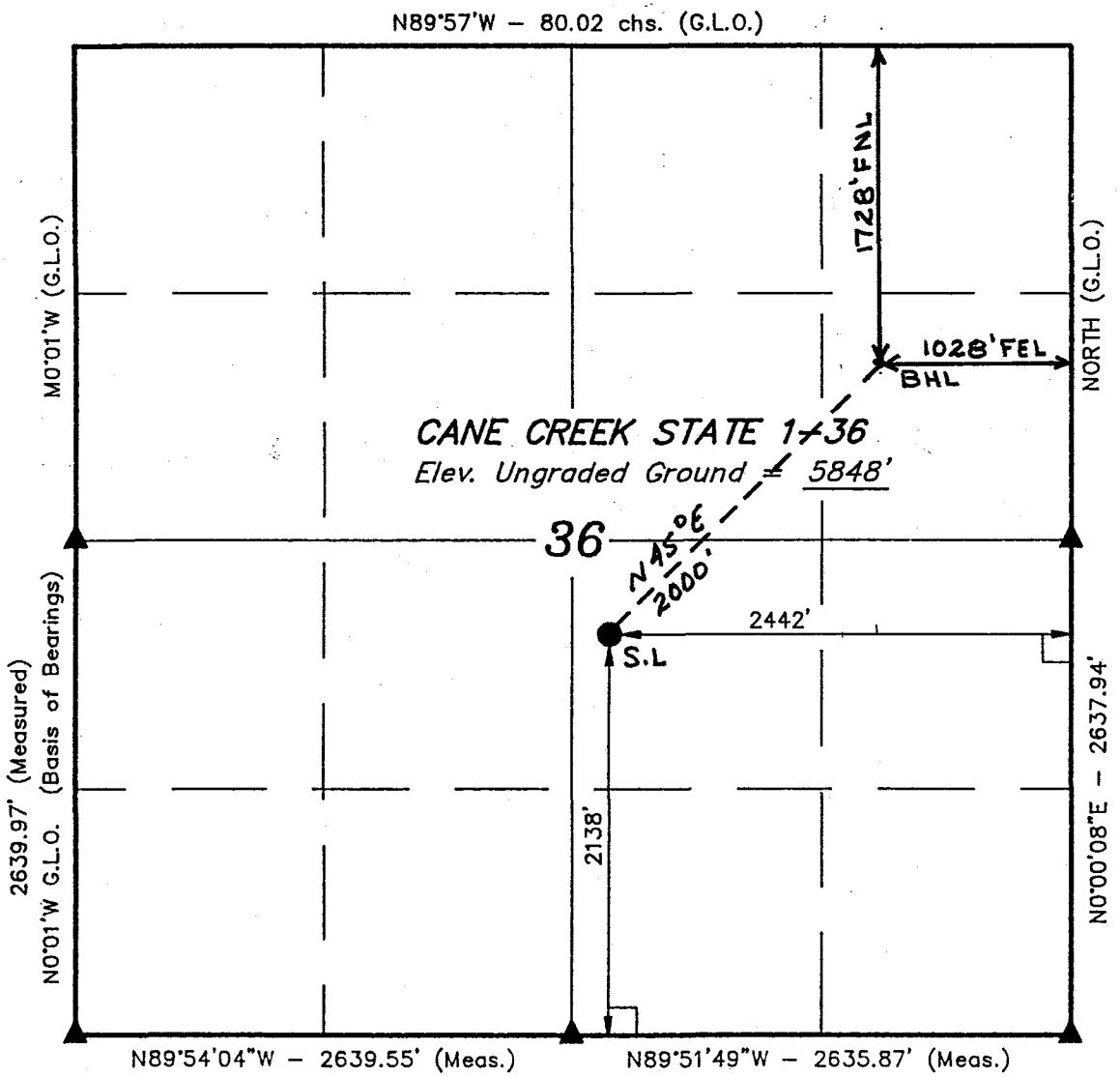
Approved by: Title: Date:
Conditions of approval, if any:

*See Instructions On Reverse Side

CHEVRON U.S.A., INC.

Well location, CANE CREEK STATE 1-36, located as shown in the NW 1/4 SE 1/4 of Section 36, T27S, R20E, S.L.B.&M. San Juan County, Utah.

T27S, R20E, S.L.B.&M.



▲ = SECTION CORNERS LOCATED. (BRASS CAPS)

BASIS OF ELEVATION

HATCH TRIANGULATION STATION LOCATED IN THE S 1/2 OF SECTION 34, T27S, R20E, S.L.B.&M. TAKEN FROM THE SHAFER BASIN QUADRANGLE, UTAH, SAN JUAN COUNTY, 7.5 MINUTE QUAD. (TOPOGRAPHIC MAP) PUBLISHED BY THE UNITED STATES DEPARTMENT OF THE INTERIOR, GEOLOGICAL SURVEY. SAID ELEVATION IS MARKED AS BEING 5883 FEET.

RECEIVED
JUN 19 1991
DIVISION OF
OIL GAS & MINING

N

CERTIFICATE

THIS IS TO CERTIFY THAT THE ABOVE PLAT WAS PREPARED FROM FIELD NOTES OF ACTUAL SURVEYS MADE BY ME OR UNDER MY SUPERVISION AND THAT THE SAME ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AND BELIEF.

Robert L Kay

REGISTERED LAND SURVEYOR
REGISTRATION NO. 5709
STATE OF UTAH

REVISED: 6-3-91 R.E.H.

UINTAH ENGINEERING & LAND SURVEYING
85 SOUTH 200 EAST - VERNAL, UTAH 84078
(801) 789-1017

SCALE 1" = 1000'	DATE 5-21-91
PARTY D.A. K.L. J.R.S.	REFERENCES G.L.O. PLAT
WEATHER WARM	FILE CHEVRON U.S.A., INC.

CHEVRON U.S.A. INC.
KANE CREEK STATE 1-36
SEC. 36, T27S, R20E
SAN JUAN COUNTY, UTAH

MULTIPOINT SURFACE USE PLAN

1. Existing Roads

A. See Map A. We do not plan to change, alter or improve upon any State or County roads.

B. To reach the proposed location travel south from Moab, Utah via Highway 163 approximately 21.8 miles to La Sal Junction, turn right onto San Juan County Road 131 and travel southwesterly 4/5 miles, turn right onto County Road 132 and travel approximately 3.5 miles to Hatch Ranch Canyon, turn northwesterly for about 7 miles, turn right onto BLM Hatch Point Road , travelling northwesterly as shown approximately 9.3 miles to a junction near the campground. Turn left and follow existing trail approximately 4.3 miles, turn right on jeep trail to location.

2. Planned Access Roads

See Map B. The BLM Hatch Point Road will be used as-is during the exploratory phase. The County and BLM roads will be maintained in as-good-as or better condition. Upgrading will take place if the well is a producer. The existing jeep trail shown needs to be upgraded and approximately 300' of access from the trail to the location will be constructed.

A. Width: 14' maximum.

B. Maximum grade: 6%.

C. Turnouts: None.

D. Drainage design: Follow existing drainage.

E. Cuts and fills: No major cuts and fills.

F. Surfacing materials: As is.

G. Gates, cattleguards or fencecuts: None.

3. Location of Existing and/or Proposed Facilities

A. See Map A. There are no existing wells within a one-mile radius of the proposed well.

B. Installation of production facilities will be addressed at a later date if the well is a producer.

C. A blooie pit 15' x 20' x 10' deep will be constructed approximately 150' from the center hole. A line will be placed on the surface from the center hole to the burn pit. The pit will be fenced on four sides to protect livestock.

5. Location and type of water supply

A. Water needed will be hauled to the drillsite by commercial haulers from the Moab area. The water source will be permitted with the Utah State Engineer.

6. Source of Construction Materials

A. All construction materials needed for this location will come commercially from the Moab area using access roads shown on Map A.

7. Methods for Handling Waste Disposal

A. Cuttings will be settled out in the reserve pit. The reserve pit will be lined with a minimum 12 mil liner. The pit will be fenced with a 32" - 48" woven wire to protect wildlife and domestic animals.

B. Drilling fluids will be retained in reserve tanks utilizing maximum recirculation during drilling operations. Following drilling, the liquid waste will be evaporated or hauled to an approved disposal site and the pit will be backfilled and returned to natural grade.

C. In the event fluids are produced, any oil will be retained until sold in tankage and any water produced will be retained until its quality is determined. The quality and quantity of water produced will then determine the necessary dispoasl procedure.

D. Sewage will be disposed of in fiber glass insulated holding tanks, which will be placed in the vicinity of the trailers. The sewage will be hauled to an approved disposal site in the Moab area.

E. Trash will be contained in a portable metal container and hauled periodically to an approved landfill in the Moab area.

F. After the rig has moved from the wellsite, all waste material will be removed to an approved disposal site.

i. Ancillary Facilities

A. Four trailers will be placed on the drilling location to house the tool pusher, drilling rep, mud logger, and geologist. They will be placed approximately as shown on the location layout.

9. Wellsite Layout

A. Four to six inches of topsoil will be removed from the location and stockpiled. Location of mud tanks, reserve and burn pits, pipe racks, living facilities and soil stockpiles are shown on the attachments.

B. Burn pit will not be lined.

C. Access to the well pad will be as indicated on Exhibit C.

D. The location will be bermed to prevent runoff over the edge.

10. Plans for Restoration of Surface

A. All surface areas not required for producing operations will be graded to as near original condition as possible and contoured to maintain possible erosion to a minimum. Any rock encountered in excavation will be disposed of beneath backfill to return surface to its present appearance and provide soil for seed growth.

B. The topsoil will be evenly distributed over the disturbed areas and reseeded.

C. Pits and any other area that would present a hazard to wildlife or livestock will be fenced off when the rig is released and removed.

D. Any oil accumulation on the pit will be removed or overhead flagged as dictated by then existing conditions.

E. The well will be completed during 1991. Rehabilitation will commence following completion of the well. If the wellsite is to be abandoned, all disturbed areas will be recontoured to the natural contour as is possible.

11. Surace Ownership

A. The wellsite and access road will be constructed on State lands. The operator shall contact the Utah Division of Oil, Gas and Mining at (801) 538-5340 between 24 and 48 hours prior to construction activities.

12. Other Information

A. The well is located on a promontory of Hatch Point which overlooks the Colorado River drainage to the north and west. Vegetaion consists primarily of juniper trees, bitterbrush, serviceberry, low sagebrush and Mormon tea. The wellsite is devoid of grasses.

Fauna which would inhabit the drainage areas below the wellsite include deer, antelope, rabbits and a variety of burrowing rodents.

B. Surface use activities in the area are primarily recreational.

C. A cultural resource inventory has been performed on the wellsite and access road. The area was recommended for clearance.

13. Company Representative

Ms. J. F. NewVille
P. O. Box 599
Denver, Colorado 80201
(303) 930-3439

I hereby certify that I, or persons under my supervision have inspected the proposed drillsite and access route; that I am familiar with the conditions which presently exist; that the statements made in this plan are, to the best of my knowledge, true and correct; and that the work associated with the operation proposed herein will be performed by Chevron U.S.A. Inc. and its contractors and subcontractors in conformity with this plan and the terms and conditions under which it is approved.

June 18, 1991
Date

OKF for J. F. NewVille
J. F. NewVille
Environment, Safety, Fire and
Health Manager

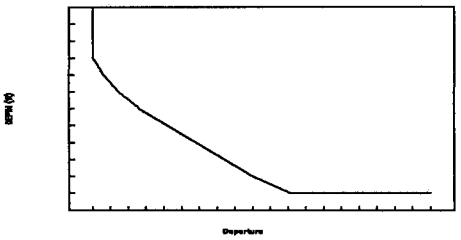
Attachments:
Map A - Access to proposed location
Map B - Porposed location and access road
Exhibit C - Location layout, cut and fill

CHEVRON U.S.A. Inc.
ROCKY MOUNTAIN PROD. BUSINESS UNIT
DRILLING PROGRAM

Field	CANE CREEK - STATE	**Rig Type**	
Well	CHEVRON 1-36	**Rig Name**	
Location	SEC.36,T27S,R20E | 2442 FEL, 2138 FSL	**AFE #**	

1) DIRECTIONAL/STRAIGHT HOLE

Explor/Devel	EXPLORATOR	GLE	5,848'	KBE	5,868'
Drill/Deepen	DRILL				
Calculated TVD	7,040				
Calculated MD	8,800				
EOB MD	7,326				
EOB TVD	7040				
Horizontal Displ.	2000				
KOP	6,514				
Build DEG/100'	13				
Initial Angle	0				
Max. Angle	90				
Tangent Length	120				
Angle Before Tang.	45				
Angle After Tang.	90				
Avg. Angle	HORIZONTAL				
Target Loc.	1728FNL,1028FEL				
Bearing f/ Surf.	N45E				



2) 1'st Build Section

Radius	441	ft
Vertical Displacement (V1)	312	ft
Horizontal Displacement (H1)	130	ft
Build Length (L1)	346	ft

3) 2'nd Build Section (Tangent)

Radius	441	ft
Vertical Displacement (V2)	85	ft
Horizontal Displacement (H2)	85	ft
Build Length (L2)	120	ft

4) 3'rd Build Section

Radius	441	ft
Vertical Displacement (V3)	128	ft
Horizontal Displacement (H3)	313	ft
Build Length (L3)	346	ft

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ADDITIONAL COMMENTS

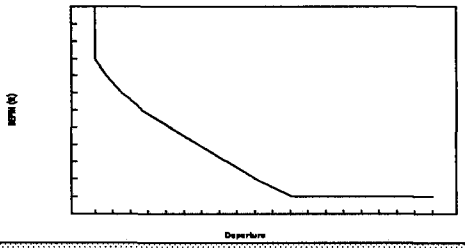
17-Jun-91
DHH(91)

CHEVRON U.S.A. Inc.
ROCKY MOUNTAIN PROD. BUSINESS UNIT
DRILLING PROGRAM

Field	CANE CREEK - STATE	**Rig Type**	
Well	CHEVRON 1-36	**Rig Name**	
Location	SEC.36,T27S,R20E | 2442 FEL, 2138 FSL	**AFE #**	

1) DIRECTIONAL/STRAIGHT HOLE

Explor/Devel	EXPLORATORY	GLE	5,848	KBE	5,868
Drill/Deepen	DRILL				
Proposed MD	8800				
Proposed TVD	7040				
KOP	6514				
Build	13/100'				
Max. Angle	90				
Avg. Angle	HORIZONTAL				
Target Loc.	1728FNL,1028FWL				
Bearing f/ Surf.	N45E				



2) CONDUCTOR HOLE

Hole Size	24"
Proposed MD	+/-80'
Proposed TVD	+/-80'

Mud Program	Type	MW	FV	WL	Other
	N/A	N/A	N/A	N/A	N/A

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	20"	PE	94#	-	80'

3) SURFACE HOLE

Hole Size	17 1/2"	Csg. Test (psi)	1,500/30 MIN
Proposed MD	+/-700'	Shoe Test (pp	10.0
Proposed TVD	+/-700'	BOPE	N/A

Drill String Design	BHA	TO BE DETERMINED
	Drill Pipe	TO BE DETERMINED

Mud Program	Type	MW	FV	WL	Other
	AIR / AIR MIST				
IF REQUIRED	FW/GEL	+/-8.5	28-34	N/A	SWEEP AS REQ

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	13 3/8"	K-55	68#	ST&C	+/-700'

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Cmt. Program		
	Lead Slurry	CLASS H W/ 16% GEL, 3% SALT
	Tail Slurry	CLASS H W/ 2% CACL2 @ 16.4 PPG.
	WOC Time (Hr	500 PSI C.S. TO BE DETERMINED F/ CMT TESTS
Potential Hazards		NONE
Elec Logging Prog		NONE
Core/DST Program		NONE

06/17/91

4) INTERMEDIATE HOLE

Hole Size	12 1/4"	Csg. Test (psi)	4,000
Proposed MD	4600	Shoe Test (pp	16.0
Proposed TVD	4600	BOPE	10M-CLASS IV

Drill String Design	BHA	TO BE DETERMINE
	Drill Pipe	TO BE DETERMINE

Mud Program	Type	MW	FV	WL	Other
	AIR / AIR MIST				
IF REQUIRED	FW/GEL	8.8PPG	40	NC	

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	9 5/8"	N80	47.0	LTC	4600

Cmt. Program		
	Lead Slurry	CLASS-H W/ 16% GEL & 3% SALT
	Tail Slurry	CLASS-H W/ ADDITIVES @ 16.4ppg
	WOC Time (Hr	12

Potential Hazards	NA
Elec Logging Prog	SEE ATTACHED FORMATION EVALUATION PROGRAM
Core/DST Program	NA

5) OIL STRING / LINER HOLE

Hole Size	8 1/2"	Csg. Test (psi)	4,000/FOR 30MIN
Proposed MD	8,800'	Shoe Test (pp	N/A
Proposed TVD	7,040'	BOPE	10M-CLASS IV

Drill String Design	BHA	TO BE DETERMINED
	Drill Pipe	TO BE DETERMINED

Mud Program	Type	MW	FV	WL	Other
	OIL INVERT	10-16ppG	40-60	5-10	CL2-SAT'D

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	7"	N80	26#	LT&C	+/-7,326'
	7" SLOTTED LINER IN HORIZONTAL SECTION				+/-1,474'
				TOTAL FTG	8,800'

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Cmt. Program		
	Lead Slurry	CLASS H W/ 16% GEL + 3% SALT
	Tail Slurry	CLASS-H W/ ADDITIVES @ 16.4ppg
	WOC Time (Hr	12 (CMT F/ EOC TO 9 5/8" CSG)

Potential Hazards	HIGH PRESSURE
Elec Logging Prog	SEE ATTACHED FORMATION EVALUATION PROGRAM
Core/DST Program	120' CANE CREEK

06/17/91

6) AUXILIARY EQUIPMENT

Mud Logging Unit	SPUD	Rotating Head	@ SPUD
Geolograph	SPUD	Degasser	@ 4,600'
Visulogger	SPUD	Desilter	@ SPUD
Adj. Choke	700'	Centrifuge	@ 4,600'
PVT & Flowmeter	SPUD	Mud Cleaner	@ 4,600'
Trip Tank	SPUD	H2S Safety Eqpt	@ N/A

Other UPPER & LOWER KELLY COCK VALVES, IBOP, FULL OPENING DP SAFETY VALVE @ SPUD TO MATCH DP & DC'S.

7) OTHER INFORMATION

Inspect BHA After	+/-200	Rotating Hours.
Inclination Surveys Every	+/-500'	Feet. (In Straight Holes)
Gyro Surveys	@ 4,600' & PRIOR TO KICK-OFF	.
Ckeck Drlg. Breaks Below	4,600'	Feet For Flow.
Fill Drill Pipe Every	30	Stds. When Runnung A Float.
Fill Csg Every	EVERY	Jt/Jts.

8) GENERAL REMARKS

See Attached Information

9) GEOLOGIC PROGRAM

See Attached Information

Prepared by:	JRS	**Drlg. Supt.**	
Date	06/17/91	**Date**	

DHH(91)

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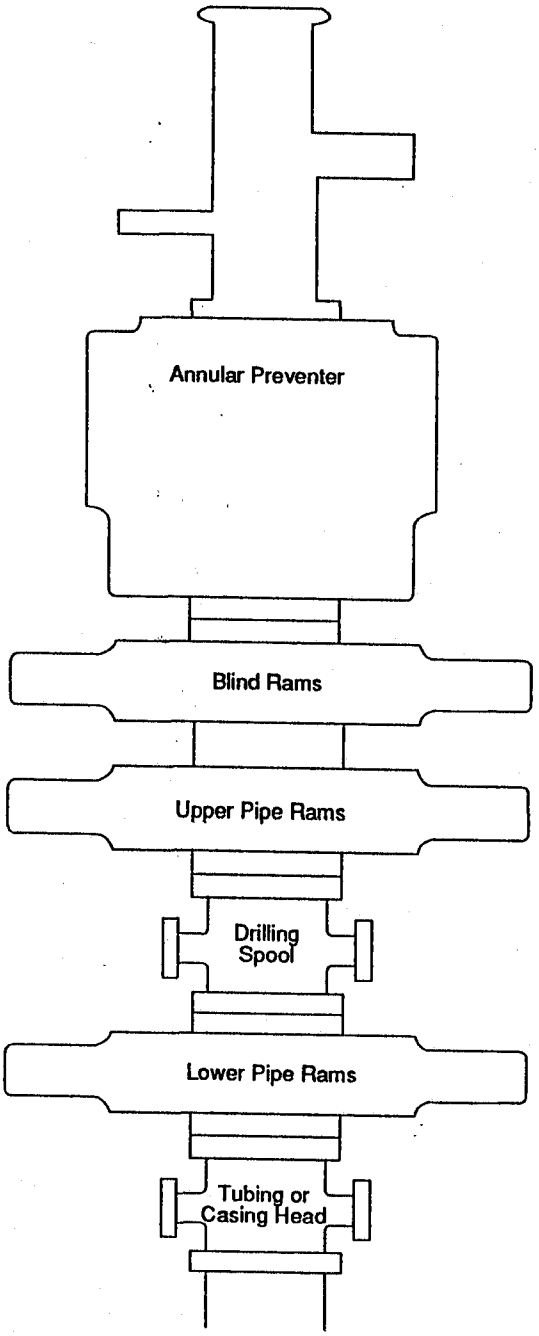
F. CLASS IV BLOWOUT PREVENTER STACK:

Figure 11J.5
Class IV Blowout Preventer Stack



The Class IV preventer stack is designed for drilling or workover operations. It is composed of a single hydraulically operated annular preventer on top, then a blind ram preventer, a single upper pipe ram preventer, a drilling spool, and a single lower pipe ram preventer on bottom. The choke and kill lines are installed onto the drilling spool and must have a minimum internal diameter of 3". All side outlets on the preventers or drilling spool must be flanged, studded, or clamped. An emergency kill line may be installed on the wellhead. A double ram preventer may be used for the blind rams and upper pipe rams in all instances if a drilling spool is being used. If this stack is used in conjunction with a tapered drillstring, a set of variable bore pipe rams should be installed in the upper pipe ram preventer and large pipe rams should be installed in the lower pipe ram preventer. The Class IV blowout preventer stack is shown to the left in Figure 11J.5.

D. TYPE "B" KILL LINE — CLASS III, IV, AND V WELLS

The type B kill line described below in Figure 11J.11 is the minimum recommended hookup for installation on all Class III, Class IV and Class V wells. Specific design features of the type B kill line include:

1. The preferred kill line connection to the well is at the drilling spool, however, a preventer side outlet may be used when space restrictions exclude the use of a drilling spool. In all cases, the kill line must be installed below the uppermost blind rams so the well can be pumped into with no pipe in the hole.

2. The arrangement includes two - 2" (nominal) gate valves installed at the drilling spool and an upstream fluid cross. The outside valve may be hydraulically remote controlled.

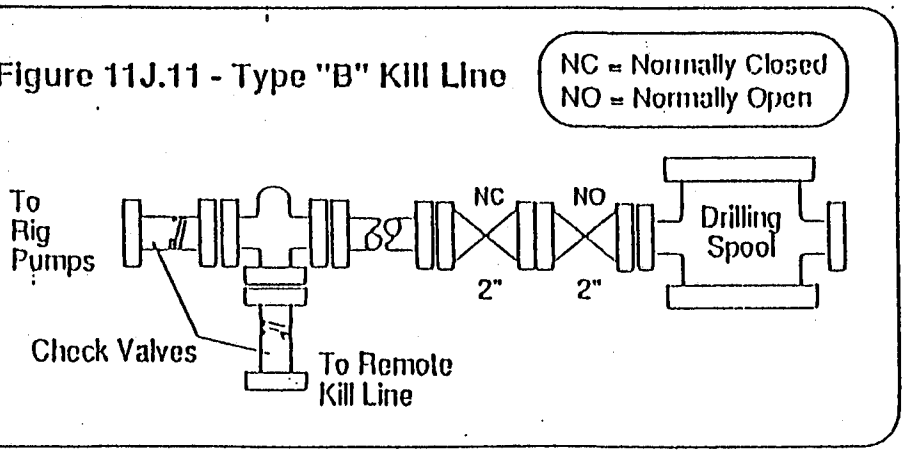
3. Two pump-in lines should be attached to the fluid cross. The primary kill line should be routed to the rig standpipe where it can be manifolded to the rig pumps. The remote kill line should be run to a safe location away from the rig or to the rig cementing unit. The remote kill line should have a loose end connection for rigging-up a high pressure pumping unit.

4. Both the primary kill line and the remote kill line must include a 2" check valve which is in working condition while drilling. If a check valve is crippled for testing purposes, the flapper or ball must be re-installed and tested before drilling resumes.

5. The primary kill line must include a pressure gauge which can display the pump-in pressure on the rig floor.

6. Any lines which are installed at the wellhead are designated as "emergency kill lines" and should only be used if the primary and remote kill lines are inoperable.

Figure 11J.11 - Type "B" Kill Line



DRILLING PROGRAM ATTACHMENT

GENERAL REMARKS

1. Applicable Federal and State Regulations will be adhered to during the drilling of this well.

2. The drilling rig is to be level and the kelly centered over the hole before drilling operations commence. Check periodically during the drilling of the well to insure the rig stays level.

3. Prior to spud insure all toolpushers, drillers and crews are thoroughly familiar with and understand the Chevron procedure for handling well kicks.

   In H_2S environments Chevron's contingency plan for your location is to be read, understood and adhered to. All personnel are to be thoroughly familiar with the use of air packs, the air supply system, locations of air packs and what to do in the event of sour gas to surface.

4. Test BOPE before drilling out and every seven days thereafter. Perform low pressure test (200 psi) and high pressure test. High pressure test should be 70% of BOPE working pressure or 70% of burst of last casing string, whichever is less. Record BOP tests on Tour Reports. Notify applicable Federal and State Regulatory Agencies 24 hours in advance of BOPE tests and record notification and names on Tour Reports.

5. Do not reuse ring gaskets. Replace with new Rx or Bx ring gaskets.

6. Separate full opening safety valves and inside BOP's are required for each size drill pipe in use. Test weekly with BOPE.

7. Run full open valve below kelly that can be run in the hole if necessary. Do not use this valve as a mud saver sub.

8. BOP controls are to remain in the <u>open</u> position during drilling operations.

9. Hold pit drills for each crew at least once every seven days and record on Tour Reports.

10. On trips fill the annulus before hydrostatic pressure drops 75 psi or every 5 stds of drill pipe, whichever is first. Use trip tanks to measure hole fill-up and monitor at all times.

11. Use drill pipe floats at all times unless your supervisor instructs otherwise.

12. Have wear ring installed in wellhead before tripping or rotating. Remember to remove wear ring before running casing or when testing BOPE.

13. Casing rams are to be installed and bonnets tested on last trip out before running casing.

14. Run pilot and thickening time tests with rig mixing water for all cement slurries prior to cementing operations.

15. Casing should be tested to 1,500 psi or 0.2 psi/ft., whichever is greater, prior to drilling out and recorded on Tour Reports. Discuss the test pressure with your supervisor and reference DM-49 before testing.

16. Drill out slick beneath each casing string. Drill deep enough to bury stabilization to be picked up.

17. Do not drill with hardbanded pipe inside of casing.

18. Do not run full gauge stabilizers. Run stabilizers 1/16" to 1/8" undergauge.

19. When necessary to work pipe, keep pipe moving up and down. Rotating alone is not considered sufficient.

20. Install and test full lubricator on all logging runs unless instructed otherwise by supervisor.

21. Fully describe damaged or lost equipment on Tour Reports.

9. BOP CLOSING EQUIPMENT

A. General Requirements

The accumulator system and pumps must be of adequate capacity for the BOP stack in use. The system must hold pressure without leaks or excessive pumping and should maintain enough pressure capacity reserve to close the preventers with the recharging pumps turned off. These pumps are designed to charge the accumulator within a reasonable time period and maintain this charge during preventer operations.

Chevron's design base for surface accumulator capacity is governed by MMS regulation, Order 30 CFR Part 250.56 (d), which states that all blowout preventer systems shall be equipped with:

> **Minerals Management Service Sizing Guidelines**
>
> "A hydraulic actuating system that provides sufficient accumulator capacity to supply 1.5 times the volume necessary to close and hold closed all BOP equipment units with a minimum (remaining) pressure of 200 psi (1,400 kPa) above the precharge pressure without assistance from the charging system. An accumulator backup system which shall be automatic, supplied by a power source independent from the power source to the primary accumulator charging system, and possess sufficient capacity to close all blowout preventers and hold them closed.

The above stated MMS regulation is equivalent to sizing a 3000 psi accumulator with enough capacity to close the annular and all ram preventers one time, with the pumps out of service, while maintaining a minimum remaining operating pressure of 1500 psi. This equivalence is shown on the next page.

This demanding base using a 50% safety factor is recommended by Chevron because it provides complete replenishment of fluid in "close" lines at the time preventers are activated. The safety factor also allows for loss of fluid capacity due to "interflow" in the four-way valves and possible loss through the packing of the preventer units. A less demanding base is not recommended, but may be used with Class II stacks, provided prior management approval has been obtained. Requirements vary with the size of preventers and are principally controlled by the annular preventer requirements.

Opening/closing volume tables provide the necessary information to calculate individual requirements as to accumulator size needed. Hydraulically operated choke and kill line valves require added fluid capacity. It must be remembered that only one-half to two-thirds of the accumulator bottle is liquid filled when fully charged, depending on the unit.

4. CHOKE MANIFOLDS

A. GENERAL CHOKE MANIFOLD SPECIFICATIONS

The following general specifications apply to all classes of choke manifold.

1. All choke manifold components which may be exposed to well pressure must have a working pressure rating equal to or greater than that of the preventer stack in use.

2. Choke manifolds should be placed outside the rig substructure when possible.

3. Choke lines should be run in a straight line with a minimum of turns. All turns must be targeted in the direction of flow.

4. Choke lines should be securely staked or anchored to reduce vibrations while circulating.

5. Blooey lines must not have restricted internal diameters and should vent well clear of the rig.

6. All valves must be of full-opening gate valve construction. Low torque ball valves should not be installed.

7. All gauges should be rated for drilling service.

8. New metal rings are to be used each time a flange is assembled. Flange grooves are to be well cleaned and dry. API RX or BX rings are required. Use of API R rings will not be permitted.

B. CLASS I CHOKE MANIFOLD

None required

D. TYPE "B" KILL LINE — CLASS III, IV , AND V WELLS

The type B kill line described below in Figure 11J.11 is the minimum recommended hookup for installation on all Class III, Class IV and Class V wells. Specific design features of the type B kill line include:

1. The preferred kill line connection to the well is at the drilling spool, however, a preventer side outlet may be used when space restrictions exclude the use of a drilling spool. In all cases, the kill line must be installed below the uppermost blind rams so the well can be pumped into with no pipe in the hole.

2 The arrangement includes two - 2" (nominal) gate valves installed at the drilling spool and an upstream fluid cross. The outside valve may be hydraulically remote controlled.

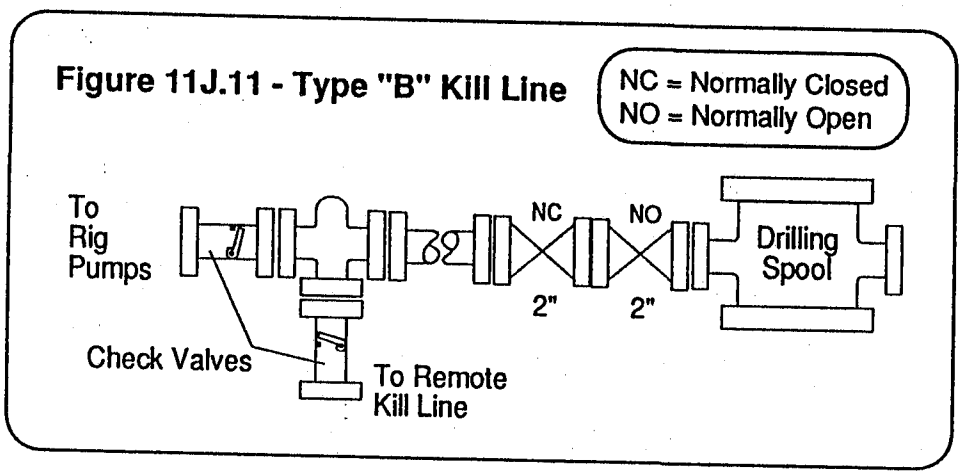
3. Two pump-in lines should be attached to the fluid cross. The **primary kill line** should be routed to the rig standpipe where it can be manifolded to the rig pumps. The **remote kill line** should be run to a safe location away from the rig or to the rig cementing unit. The remote kill line should have a loose end connection for rigging-up a high pressure pumping unit.

4. Both the primary kill line and the remote kill line must include a 2" check valve which is in working condition while drilling. If a check valve is crippled for testing purposes, the flapper or ball must be re-installed and tested before drilling resumes.

5. The primary kill line must include a pressure gauge which can display the pump-in pressure on the rig floor.

6. Any lines which are installed at the wellhead are designated as "**emergency kill lines**" and should only be used if the primary and remote kill lines are inoperable.

Figure 11J.11 - Type "B" Kill Line



E. CLASS IV CHOKE MANIFOLD

The Class IV choke manifold is suitable for Class IV and Class V workovers and drilling operations. The standard Class IV choke manifold is shown below in Figure 11J.9. Specific features of the Class IV manifold include:

1. The manifold is attached either to a drilling spool or to the pipe ram side outlet which would be located imediately above the drilling spool if it was in use.

2. The minimum internal diameter is 3" (nominal) for the choke line, choke line valves, manifold cross, and blooey line. The minimum internal diameter is 2" (nominal) for the drilling chokes and for all valves installed within the choke manifold that are not part of the blooey line.

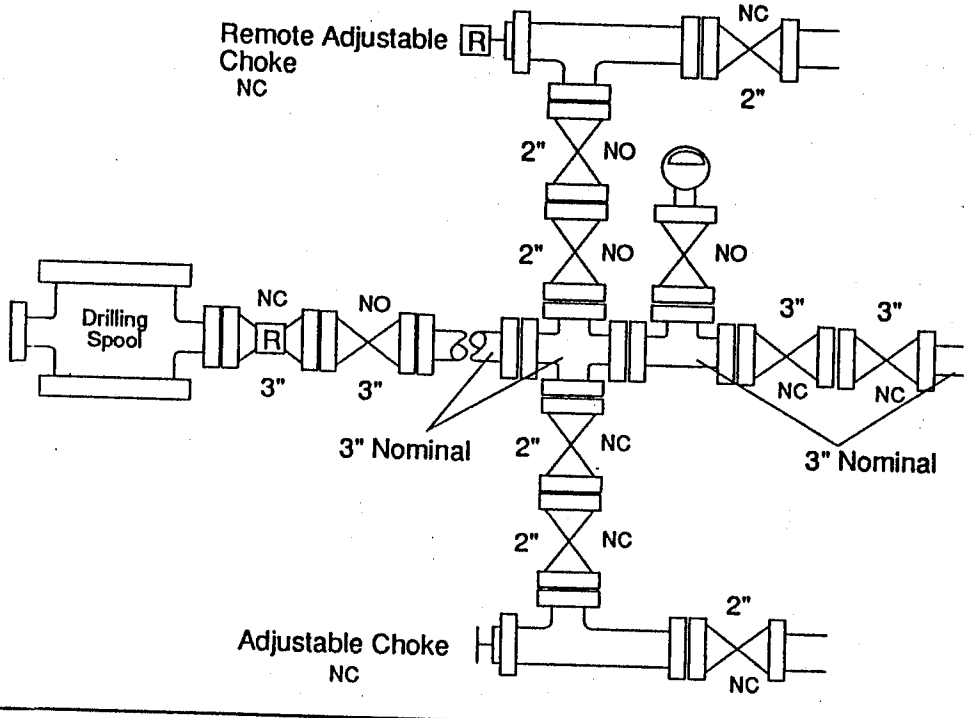
3. Includes two 3" steel gate valves in the choke line located at the drilling spool outlet. The inside choke line valve is remotely controlled (HCR).

4. Includes one manually adjustable choke and one hydraulically operated choke which are installed on either side of the manifold cross. Two 2" steel isolation gate valves are installed between both chokes and the manifold cross.

5. Includes one 3" blooey line running straight through the cross which is isolated by two 3" steel gate valves.

Figure 11J.9 - Class IV Choke Manifold

NC = Normally Closed
NO = Normally Open



GEOLOGIC PROGRAM

CANE CREEK PROSPECT

FIELD/AREA:	Cane Creek Anticline
TYPE OF WELL:	Exploration
WELL NAME:	#1-36 Cane Creek State
LOCATION:	Sec. 36-T27S-R20E San Juan County, Utah
SURFACE LOC:	2442' FEL, 2138' FSL
BOTTOMHOLE LOC:	±2000' N45°E; 1100' FEL, 1700' FNL
GR (Ungraded):	5848'
KB (Est):	5868'
TD (TVD):	7150'
FM AT TD:	Penn Paradox Fm, Cane Creek (Cycle 22)
PRIMARY OBJECTIVE:	Cane Creek
SECONDARY:	Shallower Paradox Fm. cycles
WIRELINE LOGGING INTERVALS:	DIL-MSFL (Surf to TVD) Lithodensity (4100' to TVD) Long spaced sonic (4100' to TVD) 8 arm dipmeter (4100' to TVD) MWD - Horizontal section of hole

CONFIDENTIAL

Geologic Program
Cane Creek Prospect

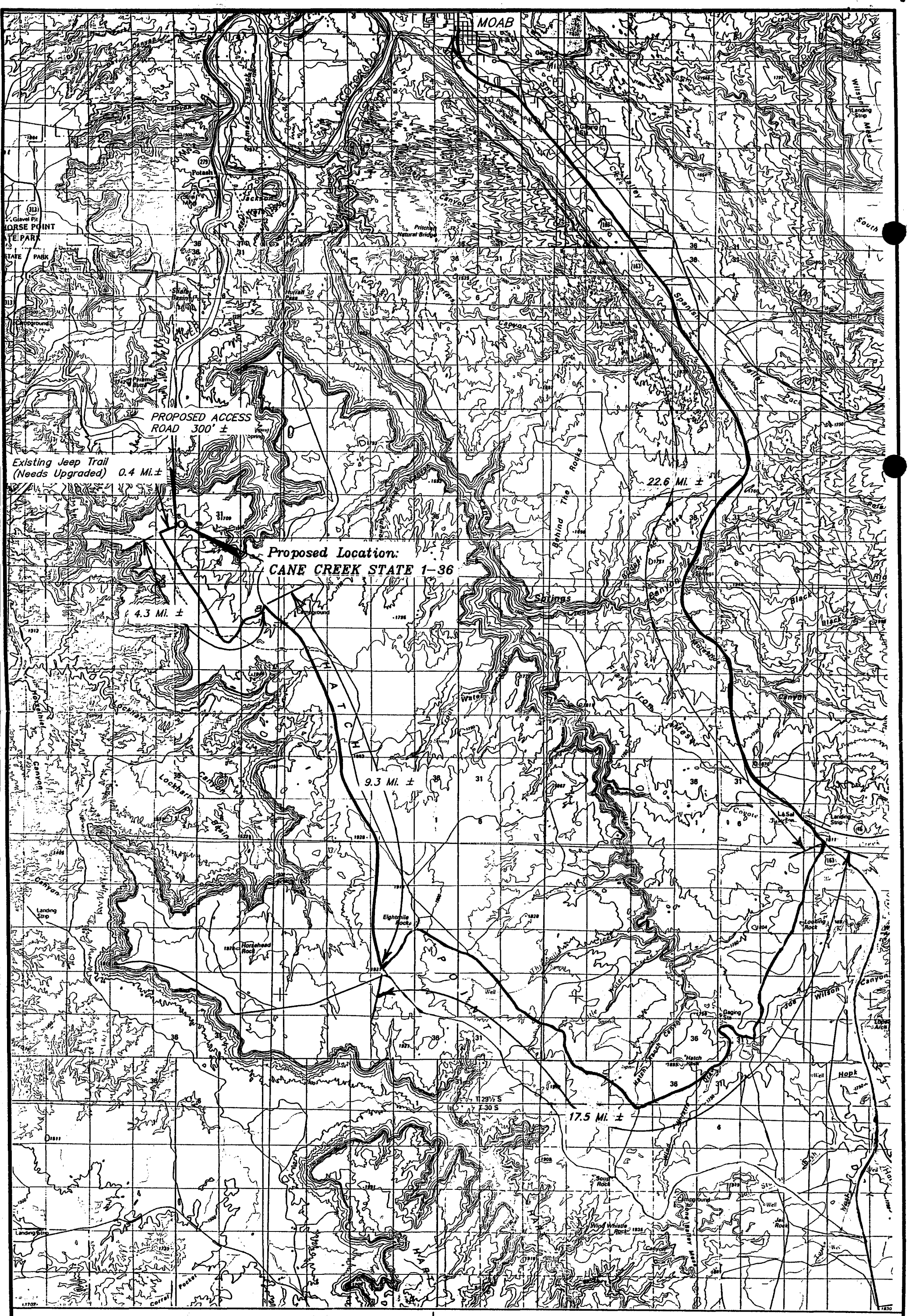
Formation Tops	Megadon Ensr #3-36 Lion Mesa 36-27S-20E KB 5880'	Est Tops (TVD) Chevron #1-36 Cane Creek 36-27S-20E GR 5848'
TR Kayenta	At surface	At surface
Wingate Ss	Est 50' (+5830)	120'
Chinle Fm	Est 610' (+5270)	680'
Moenkopi Fm	1000' (+4880)	1070'
P Cedar Mesa Ss	~1319' (+4561)	1390'
P/P Cutler Fm	~1588' (+4292)	1660'
P Honaker Trail Fm	2848' (+3032)	2920'
Paradox Fm	4030' (1850)	4100'
Ismay (Cycle 2)	4264' (+1616)	4335'
Desert Creek (C4)	4612' (+1268)	4680'
Akah (Cycle 6)	4834' (+1046)	4905'
Barker Creek (C11)	5600' (+280)	5670'
Alkali Gulch (C19)	6430' (-550)	6500'
Cane Creek (C22)	6972' (-1092)	7040'
Base Salt	7103' (-1223)	7175'
Pinkerton Trail Fm	7240' (-1360)	
Molas Fm	7290' (-1410)	TVD (Est) = 7150'
M Leadville Ls	7366' (-1486)	
		2000' Horizontal hole azimuth
	TD 7705' (M)	S45°W

MUD LOGGING PROGRAM: From conductor pipe (~100 ft) to TD

CONFIDENTIAL

WIRELINE LOGGING PROGRAM: Vertical Hole: DIL-MSFL-GR; Long Spaced Sonic-GR-CAL; Lithodensity-CNL-GR-CAL; 8-Arm Dipmeter; Check Shot Survey
Horizontal Hole: MWD will be run in the lower portion of the vertical hole and the horizontal hole.

CORES/DSTs: 2 - 60 ft cores in the Cane Creek and DSTs will be run if we encounter significant shows.

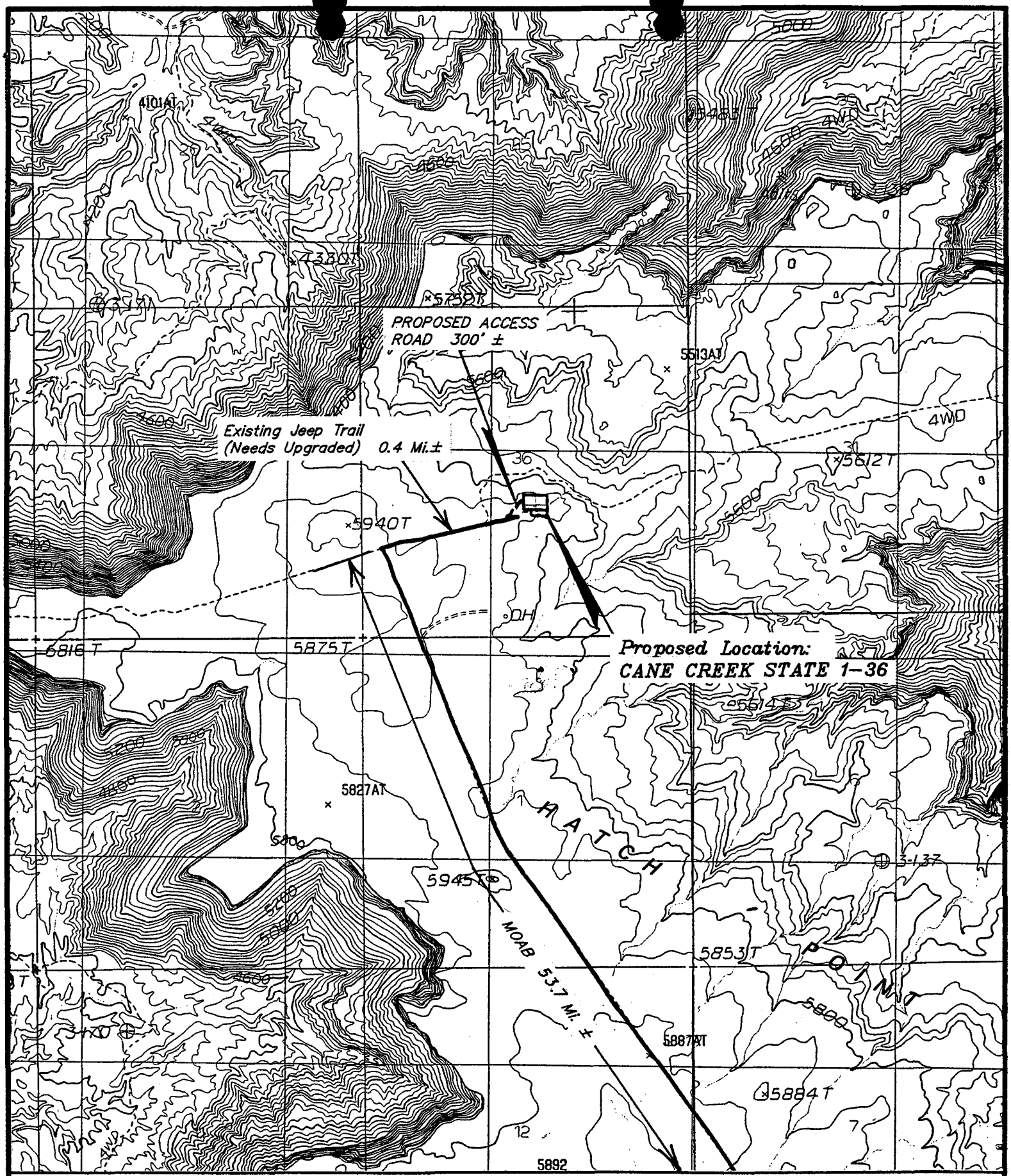


TOPOGRAPHIC
MAP "A"
DATE: 5-21-91 R.E.H.

N

CHEVRON U.S.A. INC.

CANE CREEK STATE 1-36
SECTION 36, T27S, R20E, S.L.B.&M.
REVISED: 6-3-91 R.E.H.



TOPOGRAPHIC MAP "B"

SCALE: 1" = 2000'

DATE: 5-21-91 R.E.H.

N

CHEVRON U.S.A. INC.

CANE CREEK STATE 1-36

SECTION 36, T27S, R20E, S.L.B.&M.

REVISED: 6-3-91 R.E.H.

State -

STANDARD FORM 299(11–83)
Prescribed by DOI/USDA/DOT
P.L. 96–487 and Federal
Register Notice 6–3–81

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS

FORM APPROVED
OMB NO. 1004–0060
Expires: May 31, 1986

NOTE: Before completing and filing the application, the applicant should completely review this package and schedule a preapplication meeting with representatives of the agency responsible for processing the application. Each agency may have specific and unique requirements to be met in preparing and processing the application. Many times, with the help of the agency representative, the application can be completed at the preapplication meeting.

FOR AGENCY USE ONLY
Application Number
Date filed

1. Name and address of applicant *(include zip code)*

Chevron U.S.A. Inc.
PO Box 599
Denver, CO 80201

2. Name, title, and address of authorized agent if different from Item 1 *(include zip code)*

3. TELEPHONE *(area code)*
Applicant (303) 930-3691
Authorized Agent

4. As applicant are you? *(check one)*

a. [ ] Individual
b. [X] Corporation *
c. [ ] Partnership/Association *
d. [ ] State Government/State Agency
e. [ ] Local Government
f. [ ] Federal Agency

* *If checked, complete supplemental page*

5. Specify what application is for: *(check one)*

a. [X] New authorization
b. [ ] Renew existing authorization No. _____.
c. [ ] Amend existing authorization No. _____.
d. [ ] Assign existing authorization No. _____.
e. [ ] Existing use for which no authorization has been received *
f. [ ] Other *

* *If checked, provide details under Item 7*

6. If an individual, or partnership are you a citizen(s) of the United States? [ ] Yes [ ] No

7. Project description *(describe in detail)*: (a) Type of system or facility, *(e.g., canal, pipeline, road)*; (b) related structures and facilities; (c) physical specifications *(length, width, grading, etc.)*; (d) term of years needed; (e) time of year of use or operation; (f) Volume or amount of product to be transported; (g) duration and timing of construction; and (h) temporary work areas needed for construction. *(Attach additional sheets, if additional space is needed.)*

Request right-of-way on existing BLM Hatch Point Road beginning off an upgraded county road in the W½ of Sec. 15, T28S, R21E, running westerly through Sections 16, 17, and 18, T28S, R21E; then northwesterly through Sections 1 and 12, T28S, R20E to the southwest quarter of Section 36. No upgrading of the road is planned; it will be maintained in as good or better condition as now exists. The purpose of the right-of-way is to provide access to a location on state lands in Section 36.

8. Attach map covering area and show location of project proposal

9. State or local government approval: [ ] Attached [ ] Applied for [X] Not required

10. Nonreturnable application fee: [X] Attached [ ] Not required

11. Does project cross international boundary or affect international waterways? [ ] Yes [X] No *(If "yes," indicate on map)*

12. Give statement of your technical and financial capability to construct, operate, maintain, and terminate system for which authorization is being requested.

The Chevron U.S.A. Inc. qualification number is CA-3000.

RECEIVED
JUN 19 1991
DIVISION OF
OIL GAS & MINING

13a. Describe other reasonable alternative[redacted]es and modes considered.

None

b. Why were these alternatives not selected?

NA

c. Give explanation as to why it is necessary to cross Federal lands.

This is the only existing access. No new surface disturbance.

14. List authorizations and pending applications filed for similar projects which may provide information to the authorizing agency. *(Specify number, date, code, or name.)*

None

15. Provide statement of need for project, including the economic feasibility and items such as: (a) cost of proposal *(construction, operation, and maintenance)*; (b) estimated cost of next best alternative; and (c) expected public benefits.

NA

16. Describe probable effects on the population in the area, including the social and economic aspects, and the rural lifestyles.

None

17. Describe likely environmental effects that the proposed project will have on: (a) air quality; (b) visual impact; (c) surface and ground water quality and quantity; (d) the control or structural change on any stream or other body of water; (e) existing noise levels; and (f) the surface of the land, including vegetation, permafrost, soil, and soil stability.

Increased traffic and noise levels - temporary.

18. Describe the probable effects that the proposed project will have on: (a) populations of fish, plant, wildlife, and marine life, including threatened and endangered species; and (b) marine mammals, including hunting, capturing, collecting, or killing these animals.

None

19. Name all the Department(s)/Agency(ies) where this application is being filed.

Bureau of Land Management
Moab District
PO Box 970
Moab, UT 84532

I HEREBY CERTIFY, That I am of legal age and authorized to do business in the State and that I have personally examined the information contained in the application and believe that the information submitted is correct to the best of my knowledge.

Signature of Applicant [signature] for J. J. Newville | Date June 18, 1991

Title 18, U.S.C. Section 1001, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious, or fraudulent statements or representations as to any matter within its jurisdiction.

APPLICATION FOR TRANSPORTATION AND UTILITY SYSTEMS AND FACILITIES ON FEDERAL LANDS

GENERAL INFORMATION
ALASKA NATIONAL INTEREST LANDS

This application will be used when applying for a right-of-way, permit, license, lease, or certificate for the use of Federal lands which lie within conservation system units and National Recreation or Conservation Areas as defined in the Alaska National Interest Lands Conservation Act. Conservation system units include the National Park System, National Wildlife Refuge System, National Wild and Scenic Rivers System, National Trails System, National Wilderness Preservation System, and National Forest Monuments.

Transportation and utility systems and facility uses for which the application may be used are:

1. Canals, ditches, flumes, laterals, pipes, pipelines, tunnels, and other systems for the transportation of water.

2. Pipelines and other systems for the transportation of liquids other than water, including oil, natural gas, synthetic liquid and gaseous fuels, and any refined product produced therefrom.

3. Pipelines, slurry and emulsion systems, and conveyor belts for transportation of solid materials.

4. Systems for the transmission and distribution of electric energy.

5. Systems for transmission or reception of radio, television, telephone, telegraph, and other electronic signals, and other means of communications.

6. Improved rights-of-way for snow machines, air cushion vehicles, and all-terrain vehicles.

7. Roads, highways, railroads, tunnels, tramways, airports, landing strips, docks, and other systems of general transportation.

This application *must* be filed simultaneously with each Federal department or agency requiring authorization to establish and operate your proposal.

In Alaska, the following agencies will help the applicant file an application and identify the other agencies the applicant should contact and possibly file with:

Department of Agriculture
Regional Forester, Forest Service (USFS)
Federal Office Building, P.O. Box 1628
Juneau, Alaska 99802
Telephone: (907) 588–7247 *(or a local Forest Service Office)*

Department of Interior
Bureau of Indian Affairs (BIA)
Juneau Area Office, P.O. Box 3–8000
Juneau, Alaska 99802
Telephone: (907) 586–7209

Bureau of Land Management (BLM)
701 C Street, Box 13
Anchorage, Alaska 99513
Telephone: (907) 271–5055 *(or a local BLM Office)*

National Park Service (NPS)
Alaska Regional Office, 540 West 5th Avenue, Room 202
Anchorage, Alaska 99501
Telephone: (907) 271–4196

U.S. Fish & Wildlife Service (FWS)
Office of the Regional Director
1011 East Tudor Road
Anchorage, Alaska 99503
Telephone: (907) 276–3800

Note-Filings with any Interior agency may be filed with any office noted above or with the: Office of the Secretary of the Interior, Regional Environmental Officer, Box 120, 1675 C Street, Anchorage, Alaska 99513.

Department of Transportation
Federal Aviation Administration
Alaska Region AAL–4, P.O. 14
Anchorage, Alaska 99513

NOTE – The Department of Transportation has established the above central filing point for agencies within that Department. Affected agencies are: Federal Aviation Administration (FAA), Coast Guard (USCG), Federal Highway Administration (FHWA), Federal Railroad Administration (FRA).

OTHER THAN ALASKA NATIONAL INTEREST LANDS

Use of this form is not limited to National Interest Conservation Lands of Alaska.

Individual departments/agencies may authorize the use of this form by applicants for transportation and utility systems and facilities on other Federal lands outside those areas described above.

For proposals located outside of Alaska, applications will be filed at the local agency office or at a location specified by the responsible Federal agency.

SPECIFIC INSTRUCTIONS
(Items not listed are self-explanatory)

Item

7 Attach preliminary site and facility construction plans. The responsible agency will provide instructions whenever specific plans are required.

8 Generally, the map *must* show the section(s), township(s), and range(s) within which the project is to be located. Show the proposed location of the project on the map as accurately as possible. Some agencies require detailed survey maps. The responsible agency will provide additional instructions.

9, 10, and 12 – The responsible agency will provide additional instructions.

13 Providing information on alternate routes and modes in as much detail as possible, discussing why certain routes or modes were rejected and why it is necessary to cross Federal lands will assist the agency(ies) in processing your application and reaching a final decision. Include only reasonable alternate routes and modes as related to current technology and economics.

14 The responsible agency will provide instructions.

15 Generally, a simple statement of the purpose of the proposal will be sufficient. However, major proposals located in critical or sensitive areas may require a full analysis with additional specific information. The responsible agency will provide additional instructions.

16 through 18 – Providing this information in as much detail as possible will assist the Federal agency(ies) in processing the application and reaching a decision. When completing these items, you should use sound judgment in furnishing relevant information. For example, if the project is not near a stream or other body of water, *do not* address this subject. The responsible agency will provide additional instructions.

Application *must* be signed by the applicant or applicant's authorized representative.

If additional space is needed to complete any item, please put the information on a separate sheet of paper and identify it as "Continuation of Item".

(For supplemental, see reverse)

SUPPLEMENTAL

NOTE: The responsible agency(ies) will provide additional instructions.	CHECK APPROPRIATE BLOCK	
I – PRIVATE CORPORATIONS	ATTACHED	FILED*
a. Articles of Incorporation	☐	☐
b. Corporation Bylaws	☐	☐
c. A certification from the State showing the corporation is in good standing and is entitled to operate within the State.	☐	☐
d. Copy of resolution authorizing filing	☐	☐
e. The name and address of each shareholder owning 3 percent or more of the shares, together with the number and percentage of any class of voting shares of the entity which such shareholder is authorized to vote and the name and address of each affiliate of the entity together with, in the case of an affiliate controlled by the entity, the number of shares and the percentage of any class of voting stock of that affiliate owned, directly or indirectly, by that entity, and in the case of an affiliate which controls that entity, the number of shares and the percentage of any class of voting stock of that entity owned, directly or indirectly, by the affiliate.	☐	☐
f. If application is for an oil or gas pipeline, describe any related right-of-way or temporary use permit applications, and identify previous applications.	☐	☐
g. If application is for an oil and gas pipeline, identify all Federal lands by agency impacted by proposal.	☐	☐
II – PUBLIC CORPORATIONS		
a. Copy of law forming corporation	☐	☒
b. Proof of organization	☐	☒
c. Copy of Bylaws	☐	☒
d. Copy of resolution authorizing filing	☐	☒
e. If application is for an oil or gas pipeline, provide information required by Item "I-f" and "I-g" above.	☐	☐
III – PARTNERSHIP OR OTHER UNINCORPORATED ENTITY		
a. Articles of association, if any	☐	☐
b. If one partner is authorized to sign, resolution authorizing action is	☐	☐
c. Name and addr[illegible] of each participant, partner, association, or other	☐	☐
If appli[illegible] oil or gas pipeline, provide information required [illegible] above.	☐	☐

*I[illegible] P[illegible] [illegible]ion is already filed with the agenc[illegible] [illegible] [illegible]ication and is current, check block [illegible] "Filed" [illegible]ification information (*e.g., number, date, code, name*). If not on file or current, attach the requested infor[illegible]

NOTICE

The Privacy Act of 1974 provides [illegible] you be furnished the following information in connection with information required by this application for an authorization.

AUTHORITY: 16 U.S.C. 310; 5 U.S.C. 301.

PRINCIPLE PURPOSE: The information is to be used to process the application.

ROUTINE USES: (1) The processing of the applicant's request for an authorization. (2) Documentation for public information. (3) Transfer to appropriate Federal agencies when concurrence is required prior to granting a right in public lands or resources. (4)(5) Information from the record and/or the record will be transferred to appropriate Federal, State, local or foreign agencies, when relevant to civil, criminal or regulatory investigations or prosecutions.

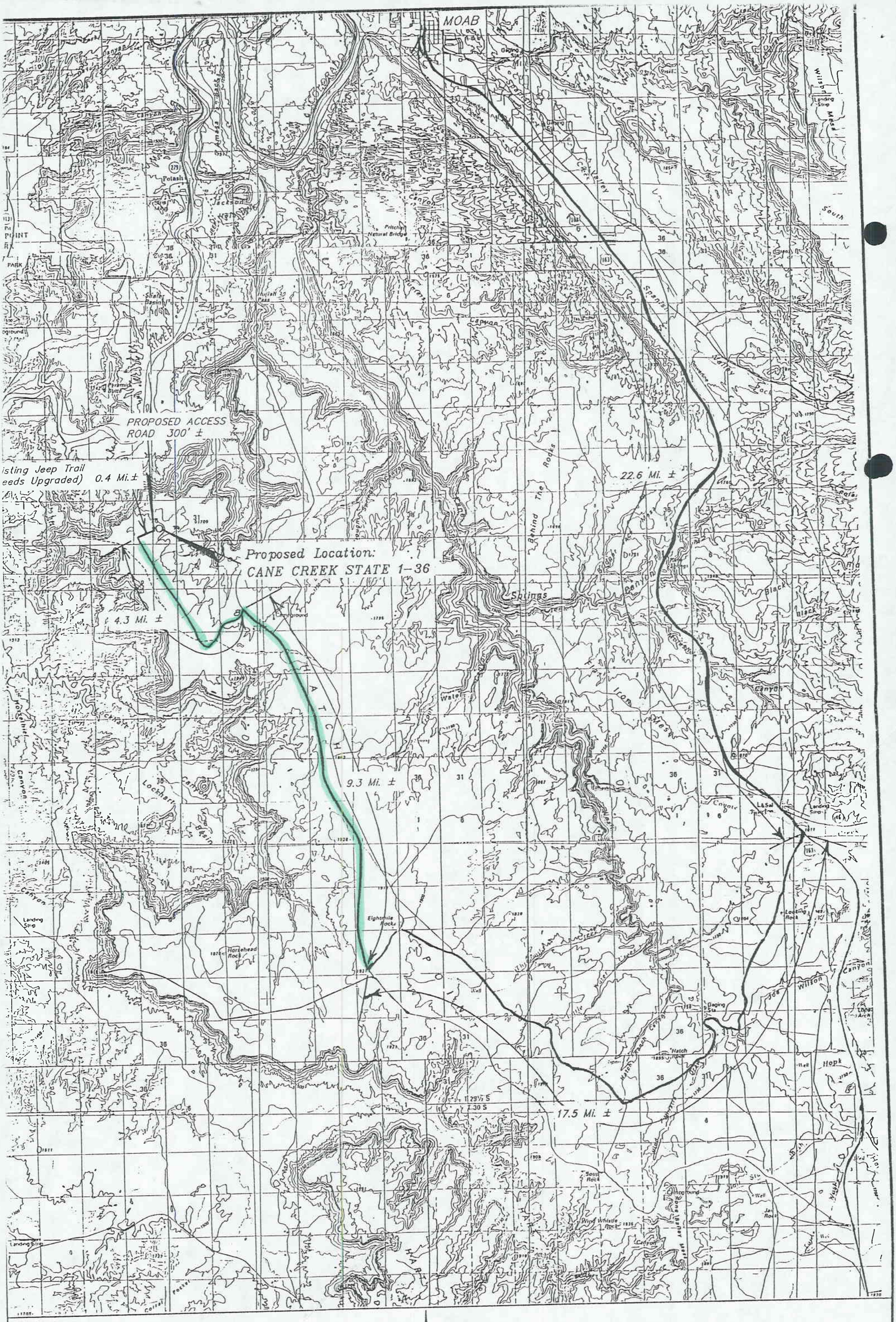
EFFECT OF NOT PROVIDING [illegible]ATION: Disclosure of the information is voluntary. If all th[illegible] information is not provided, the application may be rejected.

DATA COLLECTION STATEMENT

The Federal agencies collect this information from applicants requesting right-of-way, permit, license, lease, or certification for the use of Federal lands.

The Federal agencies use this information to evaluate the applicant's proposal.

The public is obligated to respond to this information request if they wish to obtain [illegible]



TOPOGRAPHIC MAP "A"

DATE: 5-21-91 R.E.H.

CHEVRON U.S.A. INC.

CANE CREEK STATE 1-36
SECTION 36, T27S, R20E, S.L.B.&M.
REVISED: 6-3-91 R.E.H.

DRILLING LOCATION ASSESSMENT

State of Utah
Division of Oil, Gas and Mining

OPERATOR: CHEVRON U.S.A. INC. WELL NAME: CANE CREEK STATE 1-36
SECTION: 36 TWP: 27S RNG: 20E LOC: 2442 FEL 2138 FSL
QTR/QTR NW/SE COUNTY: SAN JUAN FIELD: WILDCAT
SURFACE OWNER: STATE OF UTAH
SPACING: 460 F SECTION LINE 460 F QTR/QTR LINE 920 F ANOTHER WELL
INSPECTOR: BRAD HILL DATE AND TIME: 5/30/91 14:00

PARTICIPANTS: Frank Matthews-DOGM, Ken Phippen-DWR; Lindell Greer, Elmer Duncan-BLM; Doug Fullmer-State Lands; Don Allred, Kay Labrum-Uintah Engineering; U.F. Dixon, Dale Merrell, Jan Watson, Ed Rubenstein, LeRoy Fyock-Chevron; John Senulis, Jeanne Senulis-SENCO-PHENIX (archeology consultants)

REGIONAL SETTING/TOPOGRAPHY: The proposed location is approximately 12 miles southwest of Moab, Utah and about 5 miles southeast of Deadhorse State Park. It is located on a high flat area adjacent to a canyon rim on the north side of the proposed location. On the south side of the location the ground drops away and into a shallow dry drainage.

LAND USE:

CURRENT SURFACE USE: Occasional domestic grazing and recreational use.

PROPOSED SURFACE DISTURBANCE: A rectangular pad with dimensions of 400'X 215' and a 240'X 100' extension for the reserve pit will be constructed. A 300' access road will be constructed and existing roads will be upgraded.

AFFECTED FLOODPLAINS AND/OR WETLANDS: None

FLORA/FAUNA: Cliffrose, Juniper, Pinion, Scorpionweed, Ephedra, Larkspur, Blackbrush, Cactus, Yucca, Dock, Cryptogams/Antelope, Deer, Flies, Gnats, Rabbits, Lizards, Birds

ENVIRONMENTAL PARAMETERS

SURFACE GEOLOGY

SOIL TYPE AND CHARACTERISTICS: Silty Sand with abundant rock fragments.

SURFACE FORMATION & CHARACTERISTICS: Kayenta Formation

EROSION/SEDIMENTATION/STABILITY: No active erosion or sedimentation at present. Location should be stable.

PALEONTOLOGICAL POTENTIAL: None observed

SUBSURFACE GEOLOGY

OBJECTIVES/DEPTHS: Cane Creek-6,972'

ABNORMAL PRESSURES-HIGH AND LOW: The lower portion of the hole may encounter high pressure zones. (see APD)

CULTURAL RESOURCES/ARCHAEOLOGY: Done by SENCO-PHENIX.

CONSTRUCTION MATERIALS: Onsite materials will be used for construction.

SITE RECLAMATION: To be done as per State Lands instructions.

RESERVE PIT

CHARACTERISTICS: The reserve pit will be rectangular in shape with dimensions of 240'X 100'X 10'.

LINING: The reserve pit will be lined with a synthetic liner.

MUD PROGRAM: See APD

DRILLING WATER SUPPLY: To be determined.

OTHER OBSERVATIONS
A portion of the access road will be on BLM administered lands.

STIPULATIONS FOR APD APPROVAL
Reserve pit is to be lined with a synthetic liner of 12 mil minimum thickness.
The location is to be bermed to prevent run off from the pad.
The Division Of State Lands and Forestry in Moab is to be contacted prior to reclamation work.

ATTACHMENTS
Photographs will be placed on file.

RECEIVED
JUN 19 1991
DIVISION OF OIL GAS & MINING

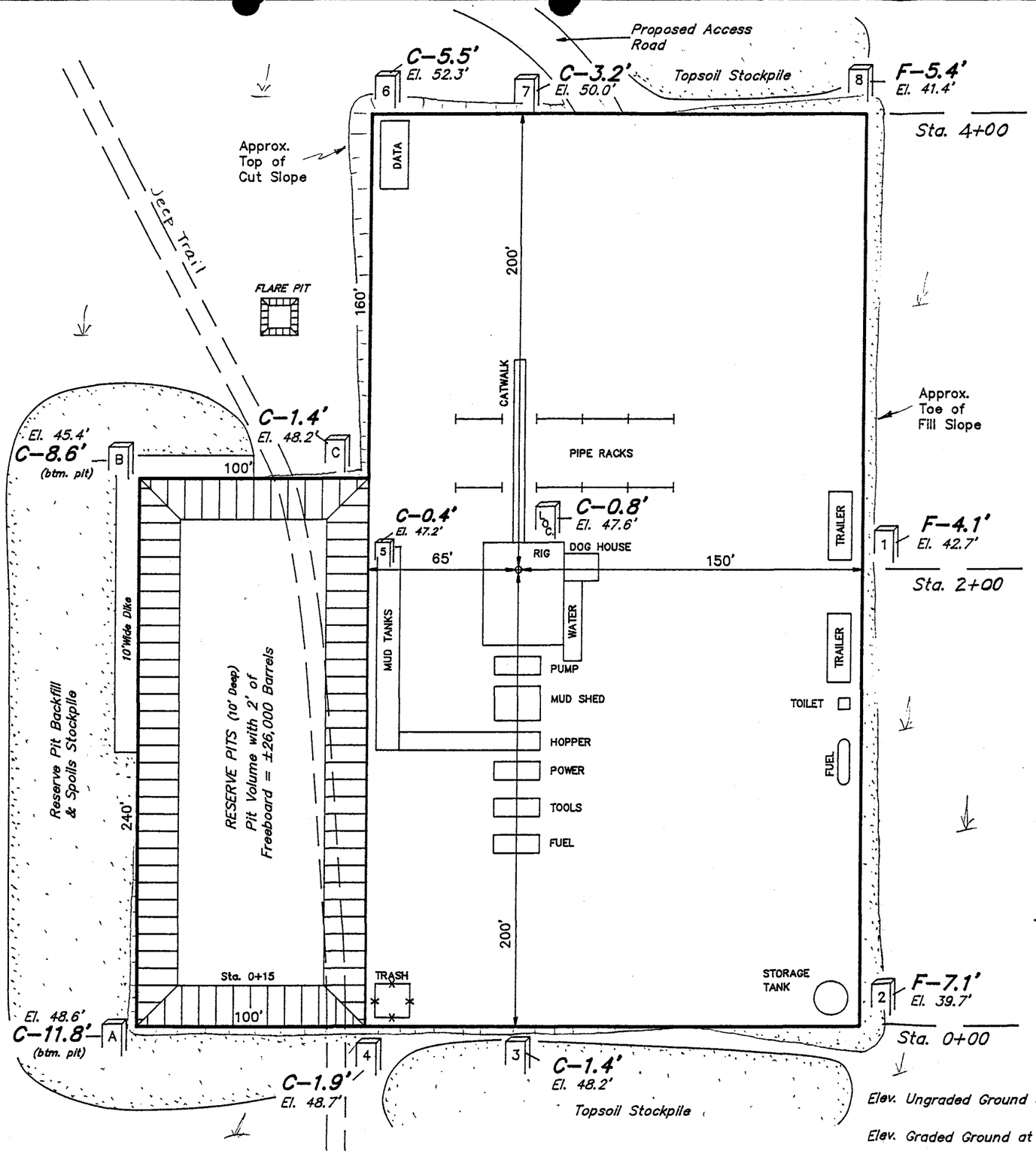
EXHIBIT 'C'

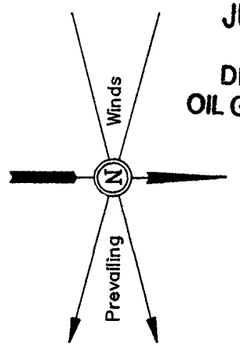
CHEVRON U.S.A., INC.

LOCATION LAYOUT FOR

CANE CREEK STATE 1-36

SECTION 36, T27S, R20E, S.L.B.&M.



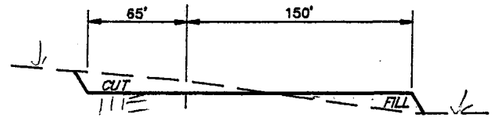


SCALE: 1" = 50'
DATE: 5-20-91
Drawn By: J.R.S.
REVISED: 6-3-91 R.E.H.

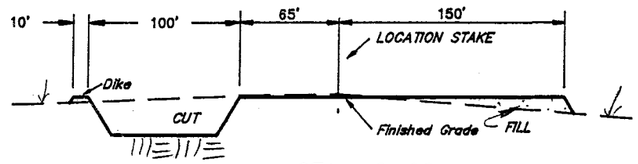
1" = 40'
X-Section Scale
1" = 100'

TYP. LOCATION LAYOUT

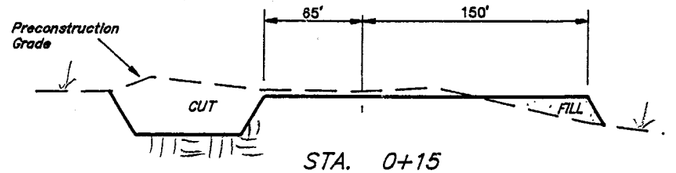
TYP. CROSS SECTIONS



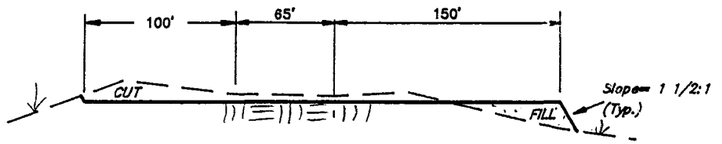
STA. 4+00



STA. 2+00



STA. 0+15



STA. 0+00

APPROXIMATE YARDAGES

(6") Topsoil Stripping	= 2,050 Cu. Yds.	EXCESS MATERIAL AFTER 5% COMPACTION	= 5,800 Cu. Yds.
Remaining Location	= 8,840 Cu. Yds.	Topsoil & Pit Backfill (1/2 Pit Vol.)	= 5,590 Cu. Yds.
TOTAL CUT	= 10,890 CU.YDS.	EXCESS UNBALANCE (After Rehabilitation)	= 210 Cu. Yds.
FILL	= 4,840 CU.YDS.		

Elev. Ungraded Ground at Location Stake = **5847.6'**

Elev. Graded Ground at Location Stake = **5846.8'**

UINTAH ENGINEERING & LAND SURVEYING
85 So. 200 East Vernal, Utah

NOTICE OF STAKING
(Not to be used in place of
Application for Permit to Drill Form 3160-3)

6. Lease Number
ML-43691

1. Oil Well [X] Gas Well [ ] Other (Specify)

7. If Indian, Allottee or Tribe Name

2. Name of Operator:
Chevron USA Inc.

8. Unit Agreement Name

3. Name of Specific Contact Person:
Jan Watson 303-930-3691

9. Farm or Lease Name
Cane Creek State

4. Address & Phone No. of Operator or Agent
P.O. Box 599, Denver, Co. 80201

10. Well No.
#1-36

5. Surface Location of Well

Attach: a) Sketch showing road entry onto pad, pad dimensions, and reserve pit.
b) Topographical or other acceptable map showing location, access road, and lease boundaries.

11. Field or Wildcat Name
Wildcat

12. Sec., T., R., M., or Blk. and Survey or Area
Sec. 36, T27S, R20E

13. County, Parish or Borough
San Juan

14. State
Utah

15. Formation Objective(s)	16. Estimated Well Depth
Paradox	7,000' TVD 9,000' measured

17. Additional Information (as appropriate; must include surface owner's name, address, and telephone number)

18. Signed Jan Watson Title Technical Assistant

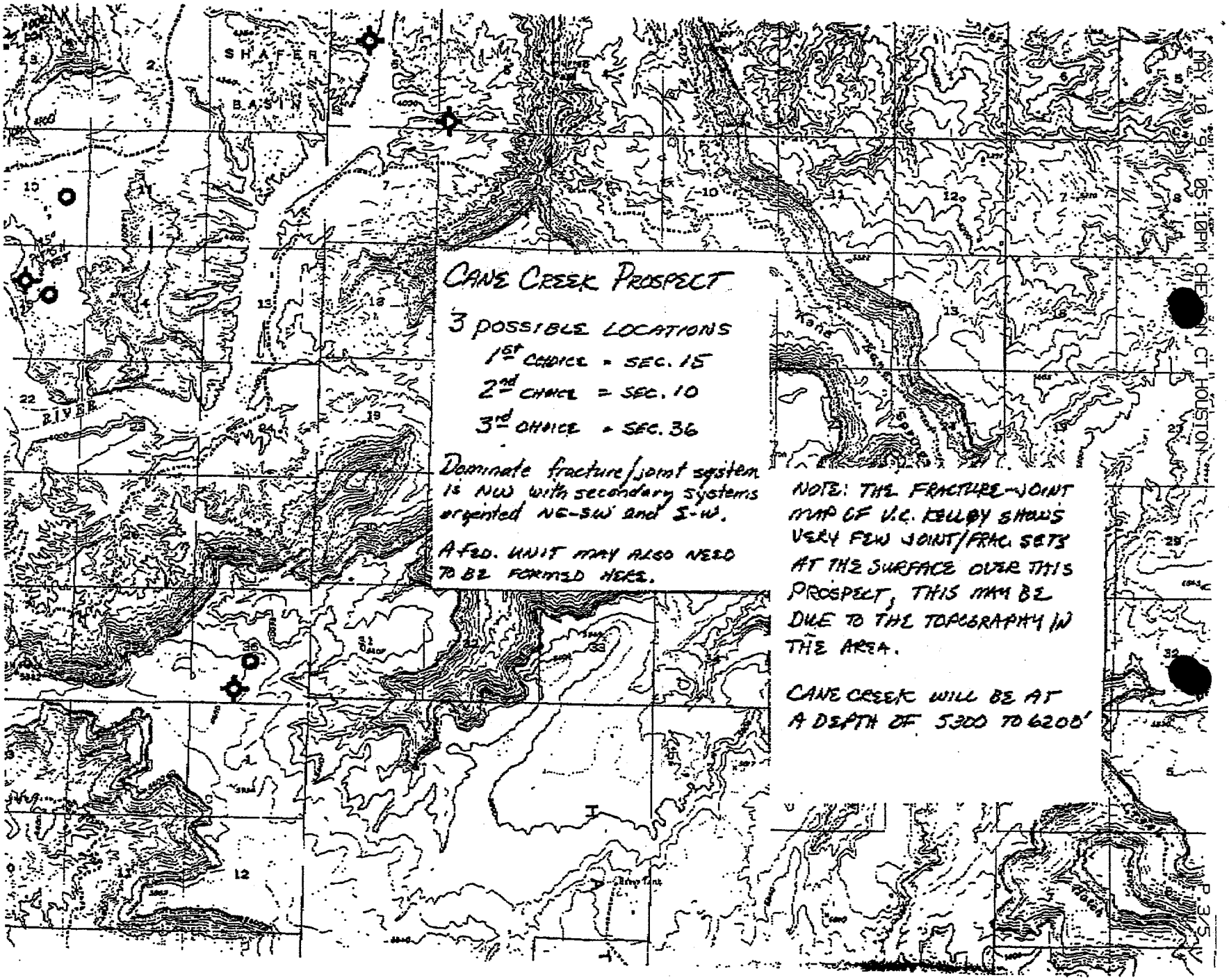
Date 5/10/91

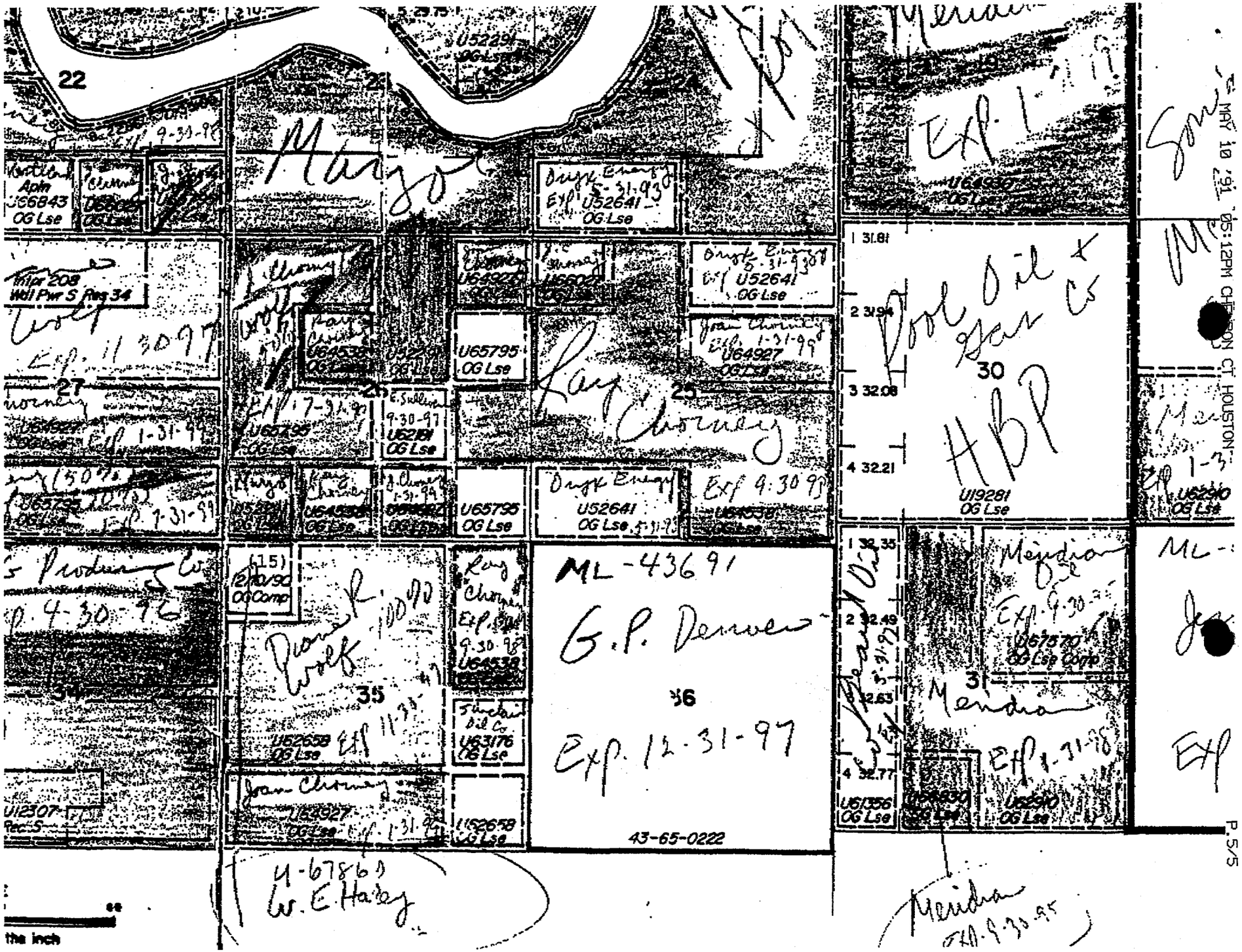
Note: Upon receipt of this Notice, the Bureau of Land Management (BLM) will schedule the date of the onsite predrill inspection and notify you accordingly. The location must be staked and access road must be flagged prior to the onsite.

Operators must consider the following prior to the onsite:
a) H_2S Potential
b) Cultural Resources (Archaeology)
c) Federal Right-of-Way or Special Use Permit

CONFIDENTIAL

(IMPORTANT: SEE REVERSE SIDE FOR INSTRUCTIONS)


SHAFER
BASIN
RIVER
CANE CREEK PROSPECT
3 POSSIBLE LOCATIONS
1ST CHOICE - SEC. 15
2ND CHOICE = SEC. 10
3RD CHOICE - SEC. 36
Dominate fracture/joint system is NW with secondary systems oriented NE-SW and E-W.
A FED. UNIT MAY ALSO NEED TO BE FORMED HERE.
NOTE: THE FRACTURE-JOINT MAP OF V.C. KELLEY SHOWS VERY FEW JOINT/FRAC SETS AT THE SURFACE OVER THIS PROSPECT, THIS MAY BE DUE TO THE TOPOGRAPHY IN THE AREA.
CANE CREEK WILL BE AT A DEPTH OF 5300 TO 6200'
MAY 10 '91 05:10PM CHEVRON CT HOUSTON
P.3/5


22
21
Mingo
Dwight Energy
Exp 5-31-93
U52641
OG Lse
Exp. 9-31-98
Exp. 11-30-97
27
Kay Chesney
25
Exp 1-31-99
U64927
OG Lse
U65795
OG Lse
Exp 7-31-98
U62796
OG Lse
E. Sullivan
9-30-97
U62181
OG Lse
Exp 1-31-99
Exp 9-30-98
U64538
OG Lse
(50%)
Exp. 4-30-96
(15)
Exp 9-30-98
34
35
Exp 11-30-97
U52658
OG Lse
Sunburst Oil Co
U63176
OG Lse
U12307
Pec S
ML-43691
G.P. Denver
36
Exp. 12-31-97
43-65-0222
Exp 1-31-98
U61356
OG Lse
U62910
OG Lse
Meridian
Exp. 9-30-95
U67520
OG Lse Comp
31
Exp 1-31-98
U62910
OG Lse
30
HBP
U19281
OG Lse
Exp 1-31-99
U62960
OG Lse
Exp
Y-67862
W. E. Haley
Meridian
Exp. 9-30-95
MAY 10 '91 05:12PM CHEVRON CT. HOUSTON
P.5/5

CONFIDENTIAL

OPERATOR Chevron U.S.A Inc N-0210 DATE 6-20-91

WELL NAME Cane Creek State 1-36

SEC NWSE 36 T 27S R 20E COUNTY San Juan

43-037-31631	State (3)
API NUMBER	TYPE OF LEASE

CHECK OFF:

- [x] PLAT
- [x] BOND
- [x] NEAREST WELL
- [x] LEASE
- [x] FIELD SLBM
- [x] POTASH OR OIL SHALE

PROCESSING COMMENTS:

No other producing wells within Sec 36 - (1) PA Well from Megadon

Water Permit

Presite 6-20-91 / Geology review 6-26-91

RDCC 6-20-91

APPROVAL LETTER:

SPACING: [ ] R615-2-3 N/A UNIT [ ] R615-3-2

[ ] N/A CAUSE NO. & DATE [x] R615-3-3

STIPULATIONS:

CONFIDENTIAL PERIOD EXPIRED ON 1-3-93

1- Water permit needed

2- Reserve pit to be lined with 12 mil ~~liner~~ minimum thickness liner.

3. Location is to be bermed to prevent runoff from pad.

4. Prior to reclamation work, contact Division of State Lands and Forestry in Moab.

5. Seasonal restriction for Desert Bighorn Rut - suggest drilling should be completed by Nov. 1.

0215T

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF WILDLIFE RESOURCES

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Timothy H. Provan
Division Director

1596 West North Temple
Salt Lake City, Utah 84116-3195
801-538-4700
801-538-4709 Fax

file oil & gas well file
6/24/91 cc R Firth
ARN

RECEIVED
JUN 21 1991
DIVISION OF
OIL GAS & MINING

June 20, 1991

Dr. Dianne R. Nielson, Director
Utah Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Chevron
Cane Creek State 1-36
ML-43691

Dear Dianne:

Division of Wildlife Resources personnel attended an on-site inspection of the Chevron well location in the Hatch Point area (Sec. 36, T27S, R20E). The Division of Wildlife has the following concerns and comments.

The location of this well is within a half mile of the canyon rim. Areas below the rim can be considered important desert bighorn habitat. The sheep use the talus slopes extensively throughout this area. The combination of this site, as well as the Meridian Oil well site (Sec. 33, T27S, R21E), will place considerable pressure on the sheep inhabiting this area and could cause abandonment. Our concerns for this specific location are increased because of the proximity of the site to the rim. In situations where the site is much further from the rim, bighorn sheep issues are reduced dramatically.

We would like to see restrictions placed on the industry to prevent major disruptive operations, such as road construction and initiation of drilling activities, taking place during critical periods of wildlife life cycles. Seasonal restrictions should include desert bighorn rut, which is November 1 to December 31. Lambing occurs from April 1 through May 31. These are critical periods in the life cycle of desert bighorn that are important for the continued survival of the species. Future guidelines to consider for peregrine falcons include a buffer zone of one mile radius around any eyrie during the period of February 1 to August 31. This is the period of nesting and incubation.

This specific location is within five miles of two peregrine eyries. Peregrine prey, such as western meadowlarks, white-throated swifts and mourning doves, utilize these vegetative communities the pad site and road will remove. The continued loss of the vegetation community could lead to population reductions for these species. This one pad site, in itself, will not impact this habitat dramatically but cumulative impacts from other wells will eventually impact the passerine bird populations.

We continue to be concerned with the potential impacts reserve pits pose to wildlife. If these pits prove to be a hazard, then we expect action will be taken to prevent impacts to wildlife. With two known peregrine falcon eyries located within five miles of this location, our concern is with the potential loss of any individual of this endangered species. Causing the death of a peregrine falcon would be a violation of the Endangered Species Act.

Pronghorn antelope, mule deer and a variety of birds, small mammals and reptiles inhabit the area. The increased traffic along the access roads will increase conflicts for these animals.

We are also concerned with the source of the operator's water. Depletion of springs or surface water will have an impact on wildlife. Water is a limiting habitat feature for all wildlife species in the Hatch Point area. Water taken from the Colorado River is subject to a fee per acre-foot which is paid to the U.S. Fish and Wildlife Service for the continued research and recovery effort of the river's threatened and endangered fish species.

Thank you for the opportunity to provide comments. Your personnel should direct any response you have about our concerns to:

Ken Phippen, Habitat Manager
Southeastern Region
455 West Railroad Avenue
Price, Utah 84501
Phone: 637-3310

Sincerely,

Timothy H. Provan
Director

STATE ACTIONS

Mail to:
RDCC Coordinator
116 State Capitol
Salt Lake City, Utah 84114

1. ADMINISTERING STATE AGENCY
OIL, GAS AND MINING
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

2. STATE APPLICATION IDENTIFIER NUMBER:
(assigned by State Clearinghouse)

3. APPROXIMATE DATE PROJECT WILL START:
August 1, 1991

4. AREAWIDE CLEARING HOUSE(s) RECEIVING STATE ACTIONS:
(to be sent out by agency in block 1)
Southeastern Utah Association of Governments

5. TYPE OF ACTION: /_/ Lease /X/ Permit /_/ License /_/ Land Acquisition
/_/ Land Sale /_/ Land Exchange /_/ Other _____

6. TITLE OF PROPOSED ACTION:
Application for Permit to Drill

7. DESCRIPTION:
Chevron U.S.A. Inc. proposes to drill the Cane Creek State #1-36 well (wildcat) on state lease ML-43691, San Juan County, Utah. This action is being presented to RDCC for consideration of resource issues affecting state interests. The Division of Oil, Gas and Mining is the primary administrative agency in this action and must issue approval before operations commence.

8. LAND AFFECTED (site location map required) (indicate county)
NW/4, SE/4, Section 36, Township 27 South, Range 20 East, San Juan County, Utah

9. HAS THE LOCAL GOVERNMENT(s) BEEN CONTACTED?

10. POSSIBLE SIGNIFICANT IMPACTS LIKELY TO OCCUR:
Degree of impact is based on the discovery of oil or gas in commercial quantities.

11. NAME AND PHONE NUMBER OF DISTRICT REPRESENTATIVE FROM YOUR AGENCY NEAR PROJECT SITE, IF APPLICABLE:

12. FOR FURTHER INFORMATION, CONTACT:
Frank R. Matthews
PHONE: 538-5340

13. SIGNATURE AND TITLE OF AUTHORIZED OFFICIAL
F R Matthews
DATE: 6-21-91 Petroleum Engineer

WOI187

Form OGC-1b

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE* (Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

1. OIL WELL [X] GAS WELL [ ] OTHER

7. UNIT AGREEMENT NAME:

2. NAME OF OPERATOR: Chevron U.S.A. Inc.

8. FARM OR LEASE NAME: Cane Creek State

3. ADDRESS OF OPERATOR: PO Box 599, Denver, CO 80201

9. WELL NO.: #1-36

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 2442' FEL, 2138' FSL

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 36, T27S, R20E

14. PERMIT NO.:

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 5848' GR

12. COUNTY OR PARISH: San Juan

13. STATE: Utah

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[X]	(Other)			[ ]
(Other)			[ ]	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

The drilling APD submitted for approval on 6/18/91 is to be revised as follows:

Item 19 - Proposed depth is revised to:

- The well is to be drilled vertically to 7550' TVD to evaluate the Cane Creek objectives. The well will then be plugged back and drilled horizontally into the Cane Creek at approximately 7040' TVD for a horizontal displacement of 2000' from surface at N45°E.

- The well bore azimuth of N45°E may be adjusted based on the vertical open hole evaluation to maximize the reservoir potential while drilling the horizontal section.

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7-11-91
BY: [signature]

CONFIDENTIAL

18. I hereby certify that the foregoing is true and correct

SIGNED [signature] TITLE Technical Assistant DATE 6/26/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

GEOLOGIC PROGRAM

CANE CREEK PROSPECT

FIELD/AREA:	Cane Creek Anticline
TYPE OF WELL:	Exploration
WELL NAME:	#1-36 Cane Creek State
LOCATION:	Sec. 36-T27S-R20E San Juan County, Utah
SURFACE LOC:	2442' FEL, 2138' FSL
BOTTOMHOLE LOC:	1100' FEL, 1700' FNL 2000' N45°E
GR (Ungraded):	5848'
KB (Est):	5868'
TD (TVD):	7550'
FM AT TD:	Mississippian Leadville Ls
PRIMARY OBJECTIVE:	Cane Creek
SECONDARY:	Shallower Paradox Fm. cycles
WIRELINE LOGGING INTERVALS:	DIL-MSFL (Surf to TVD) Lithodensity (4100' to TVD) Long spaced sonic (4100' to TVD) 8 arm dipmeter (4100' to TVD) MWD - Horizontal section of hole

Geologic Program
Cane Creek Prospect

Formation Tops	Megadon Ensr #3-36 Lion Mesa 36-27S-20E KB 5880'	Est Tops (TVD) Chevron #1-36 Cane Creek 36-27S-20E GR 5848'
TR Kayenta	At surface	At surface
Wingate Ss	Est 50' (+5830)	120'
Chinle Fm	Est 610' (+5270)	680'
Moenkopi Fm	1000' (+4880)	1070'
P Cedar Mesa Ss	~1319' (+4561)	1390'
P/TP Cutler Fm	~1588' (+4292)	1660'
TP Honaker Trail Fm	2848' (+3032)	2920'
Paradox Fm	4030' (+1850)	4100'
Ismay (Cycle 2)	4264' (+1616)	4335'
Desert Creek (C4)	4612' (+1268)	4680'
Akah (Cycle 6)	4834' (+1046)	4905'
Barker Creek (C11)	5600' (+280)	5670'
Alkali Gulch (C19)	6430' (-550)	6500' Horizontal horizon is
Cane Creek (C22)	6972' (-1092)	7040' → the Cane Creek -
Base Salt	7103' (-1223)	7175' 2000' horz. hole with
Pinkerton Trail Fm	7240' (-1360)	7310' an Azimuth of N45°W
Molas Fm	7290' (-1410)	7360'
M Leadville Ls	7366' (-1486)	7440' CONFIDENTIAL
		TVD (Est.) = 7550'-(vert. hole TD)
	TD 7705' (M)	

MUD LOGGING PROGRAM: From conductor pipe (~100 ft) to TD

WIRELINE LOGGING PROGRAM: Vertical Hole: DIL-MSFL-GR; Long Spaced Sonic-GR-CAL; Lithodensity-CNL-GR-CAL; 8-Arm Dipmeter; Check Shot Survey
Horizontal Hole: MWD will be run in the lower portion of the vertical hole and the horizontal hole.

CORES/DSTs: 2 - 60 ft cores in the Cane Creek and DSTs will be run if we encounter significant shows.

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

July 11, 1991

Chevron U.S.A. Inc.
P. O. Box 599
Denver, Colorado 80201

Gentlemen:

Re: Cane Creek State #1-36 Well, Surf. 2138 feet from the South line, 2442 feet from the East line, NW SE, BHL. 1728 feet from the North line, 1028 feet from the East line, SE NE, Section 36, Township 27 South, Range 20 East, San Juan County, Utah

Approval to drill the referenced well is hereby granted in accordance with Utah Admin. R.615-3-3, subject to the following stipulations:

1. Prior to commencement of drilling, receipt by the Division of evidence providing assurance of an adequate and approved supply of water as required by Utah Code Ann. Section 73-3, Appropriation.

2. Reserve pit to be lined with 12 mil. minimum thickness liner.

3. Location is to be bermed to prevent runoff from pad.

4. Prior to reclamation work, contact Division of State Lands and Forestry in Moab.

5. Seasonal restriction for Desert Bighorn habitat suggest drilling should be completed by November 1, 1991.

In addition, the following actions are necessary to fully comply with this approval:

1. Spudding notification within 24 hours after drilling operations commence.

2. Submittal of Entity Action Form 6, within five working days following spudding and whenever a change in operations or interests necessitates an entity status change.

3. Submittal of the Report of Water Encountered During Drilling, Form 7.

4. Prompt notification in the event it is necessary to plug and abandon the well. Notify R. J. Firth, Associate Director, (Office) (801) 538-5340, (Home) 571-6068, or J. L. Thompson, Lead Inspector, (Home) 298-9318.

5. Compliance with the requirements of Utah Admin. R.615-3-20, Gas Flaring or Venting.

6. Prior to commencement of the proposed drilling operations, plans for facilities for disposal of sanitary wastes at the drill site shall be submitted to the local health department. These drilling operations and any subsequent well operations must be conducted in accordance with applicable state and local health department regulations. A list of local health departments and copies of applicable regulations are available from the Division of Environmental Health, Bureau of Drinking Water/Sanitation, telephone (801) 538-6159.

7. This approval shall expire one (1) year after date of issuance unless substantial and continuous operation is underway or an application for an extension is made prior to the approval expiration date.

The API number assigned to this well is 43-037-31631.

Sincerely,

R. J. Firth
Associate Director, Oil & Gas

tas
Enclosures
cc: Bureau of Land Management
Division of State Lands
J. L. Thompson
we14/1-4

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Richard J. Mitchell
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF STATE LANDS AND FORESTRY

355 West North Temple
3 Triad Center, Suite 400
Salt Lake City, Utah 84180-1204
801-538-5508

July 12, 1991

CERTIFIED MAIL NO. P 879 599 522

J.L. Watson
Chevron USA Inc.
P.O. Box 599
Denver, CO 80201

Dear Ms. Watson:

RE: Bonding and Designation of Operator forms for Cane Creek State No. 1-36 well. State of Utah Oil, Gas, and Hydrocarbon Lease ML 43691

The Division of Oil, Gas, and Mining has advised this office of their approval of the Cane Creek State No. 1-36 well. A cursory review of Division Bond Records revealed that we currently have no bond in place for Chevron USA Inc., to cover the drilling of the above mentioned well. Additionally, our records show State of Utah Oil, Gas, and Hydrocarbon Lease ML 43691 in the name of Denver G.P.

Prior to the drilling of the well an assignment of interest or Designation of Operator from Denver G.P. will need to be approved by this Division. Also, a State Wide Blanket Bond in the amount of $80,000 or an Individual Well Bond based on the following well depth will be required:

Well Depth	Bond Amount
0 - 3,000 ft.	$10,000
3,000 - 10,000 ft.	20,000
Greater than 10,000	40,000

I have enclosed a copy of Division Rules covering bonding, Division Bond Forms and Designation of Operator Forms for your use.

If you have additional question regarding this matter please contact this office.

Sincerely,

Edward W Bonner

EDWARD W. BONNER
MINERALS SECTION MANAGER

tdw

cc: State of Utah
Division of Oil, Gas, and Mining

Form OGC-1b

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE (Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME: Cane Creek State

9. WELL NO.: 1-36

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 36, T27S, R20E

12. COUNTY OR PARISH: San Juan

13. STATE: Utah

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: Chevron U.S.A. Inc.

3. ADDRESS OF OPERATOR: PO Box 599, Denver, CO 80201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface:
2442' FEL, 1728' FSL
TD 1028' FEL, 1728' FNL

14. PERMIT NO.: 43-037-31631

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 5848' GR

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[X]	(Other)			[ ]
(Other)			[ ]	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

Propose to change the blowout preventer requirements in the 12¼" intermediate hole section. The following changes have been made in the attached program.

Section 3) SURFACE HOLE

The 13-3/8" casing will be pressure tested to 1000 psi for 30 minutes prior to drilling out the float shoe.

CONFIDENTIAL

Section 4) INTERMEDIATE HOLE

We are changing the Class IV 10M BOPE to a Diverter Hookup including a rotating head. The diverter line will have a minimum I.D. of 6 inches. The 12-1/4" hole section will be drilled with air and this interval is known for lost circulation. Based on these parameters the hole integrity does not warrant a BOPE with shut-in capabilities.

RECEIVED
JUL 22 1991
DIVISION OF OIL GAS & MINING

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 7-31-91
BY: [signature]

18. I hereby certify that the foregoing is true and correct

SIGNED J.R. Watson TITLE Technical Assistant DATE 7/19/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

CHEVRON U.S.A. Inc.
ROCKY MOUNTAIN PROD. BUSINESS UNIT
DRILLING PROGRAM

Field	CANE CREEK - STATE	Referenc	Revision 1
Well	CHEVRON 1-36	Rig :	
Location	SEC.36,T27S,R20E | 2442 FEL, 2138 FSL	AFE # :	

1) DIRECTIONAL/STRAIGHT HOLE

Explor/Devel	EXPLORATORY	GLE	5,848	KBE	5,868
Drill/Deepen	DRILL				
Proposed MD	8800				
Proposed TVD	7040				
KOP	6514				
Build	13/100'				
Max. Angle	90				
Avg. Angle	HORIZONTAL				
Target Loc.	1728FNL,1028FWL				
Bearing f/ Surf.	N45E				

2) CONDUCTOR HOLE

Hole Size	24"
Proposed MD	+/-80'
Proposed TVD	+/-80'

Mud Program	Type	MW	FV	WL	Other
	N/A	N/A	N/A	N/A	N/A

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	20"	PE	94#	-	80'

3) SURFACE HOLE

Hole Size	17 1/2"	Csg. Test (psi)	1,000/30 MIN
Proposed MD	+/-700'	Shoe Test (pp	10.0
Proposed TVD	+/-700'	BOPE	N/A

Drill String Design		
	BHA	TO BE DETERMINED
	Drill Pipe	TO BE DETERMINED

Mud Program	Type	MW	FV	WL	Other
	AIR / AIR MIST				
IF REQUIRED	FW/GEL	+/-8.5	28-34	N/A	SWEEP AS REQ

Csg. Program	Size	Grade	Weight	Thread	Sect Lgth
	13 3/8"	K-55	68#	ST&C	+/-700'

Cmt. Program		
	Lead Slurry	CLASS H W/ 16% GEL, 3% SALT
	Tail Slurry	CLASS H W/ 2% CACL2 @ 16.4 PPG.
	WOC Time (Hr	500 PSI C.S. TO BE DETERMINED F/ CMT TESTS

Potential Hazards	NONE
Elec Logging Prog	NONE
Core/DST Program	NONE

07/11/91

4) INTERMEDIATE HOLE

Hole Size	12 1/4"	Csg. Test (psi)	4,000/ 30 min.
Proposed MD	4600	Shoe Test (pp	16.0
Proposed TVD	4600	BOPE	DIVERTER

Drill String Design

BHA	TO BE DETERMINE
Drill Pipe	TO BE DETERMINE

Mud Program

Type	MW	FV	WL	Other
AIR / AIR MIST				
IF REQUIRED FW/GEL	8.8PPG	40	NC	

Csg. Program

Size	Grade	Weight	Thread	Sect Lgth
9 5/8"	N80	47.0	LTC	4600

Cmt. Program

Lead Slurry	CLASS-H W/ 16% GEL & 3% SALT
Tail Slurry	CLASS-H W/ ADDITIVES @ 16.4ppg
WOC Time (Hr	12

Potential Hazards	NA
Elec Logging Prog	SEE ATTACHED FORMATION EVALUATION PROGRAM
Core/DST Program	NA

5) OIL STRING / LINER HOLE

Hole Size	8 1/2"	Csg. Test (psi)	4,000/FOR 30MIN
Proposed MD	8,800'	Shoe Test (pp	N/A
Proposed TVD	7,040'	BOPE	10M-CLASS IV

Drill String Design

BHA	TO BE DETERMINED
Drill Pipe	TO BE DETERMINED

Mud Program

Type	MW	FV	WL	Other
OIL INVERT	10-16ppg	40-60	5-10	CL2-SAT'D

Csg. Program

Size	Grade	Weight	Thread	Sect Lgth
7"	N80	26#	LT&C	+/-7,326'
7" SLOTTED LINER IN HORIZONTAL SECTION				+/-1,474'
			TOTAL FTG	8,800'

Cmt. Program

Lead Slurry	CLASS H W/ 16% GEL + 3% SALT
Tail Slurry	CLASS-H W/ ADDITIVES @ 16.4ppg
WOC Time (Hr	12 (CMT F/ EOC TO 9 5/8" CSG)

Potential Hazards	HIGH PRESSURE
Elec Logging Prog	SEE ATTACHED FORMATION EVALUATION PROGRAM
Core/DST Program	120' CANE CREEK

07/11/91

6) AUXILIARY EQUIPMENT

Mud Logging Unit	SPUD	Rotating Head	@	700'
Geolograph	SPUD	Degasser	@	4,600'
Visulogger	SPUD	Desilter	@	SPUD
Adj. Choke	700'	Centrifuge	@	4,600'
PVT & Flowmeter	SPUD	Mud Cleaner	@	4,600'
Trip Tank	SPUD	H2S Safety Eqpt	@	N/A

Other UPPER & LOWER KELLY COCK VALVES, IBOP, FULL OPENING DP SAFETY VALVE @ SPUD TO MATCH DP & DC'S.

7) OTHER INFORMATION

Inspect BHA After	+/-200	Rotating Hours.
Inclination Surveys Every	+/-500'	Feet. (In Straight Holes)
Gyro Surveys	@ 4,600' & PRIOR TO KICK-OFF	.
Ckeck Drlg. Breaks Below	4,600'	Feet For Flow.
Fill Drill Pipe Every	30	Stds. When Runnung A Float.
Fill Csg Every	EVERY	Jt/Jts.

8) GENERAL REMARKS

Well will be drilled to 7550 ft TVD to evaluate the Cane Creek.

Then plugged back and drilled Horizontally into the Cane Creek at approx. 7040 ft TVD

9) GEOLOGIC PROGRAM

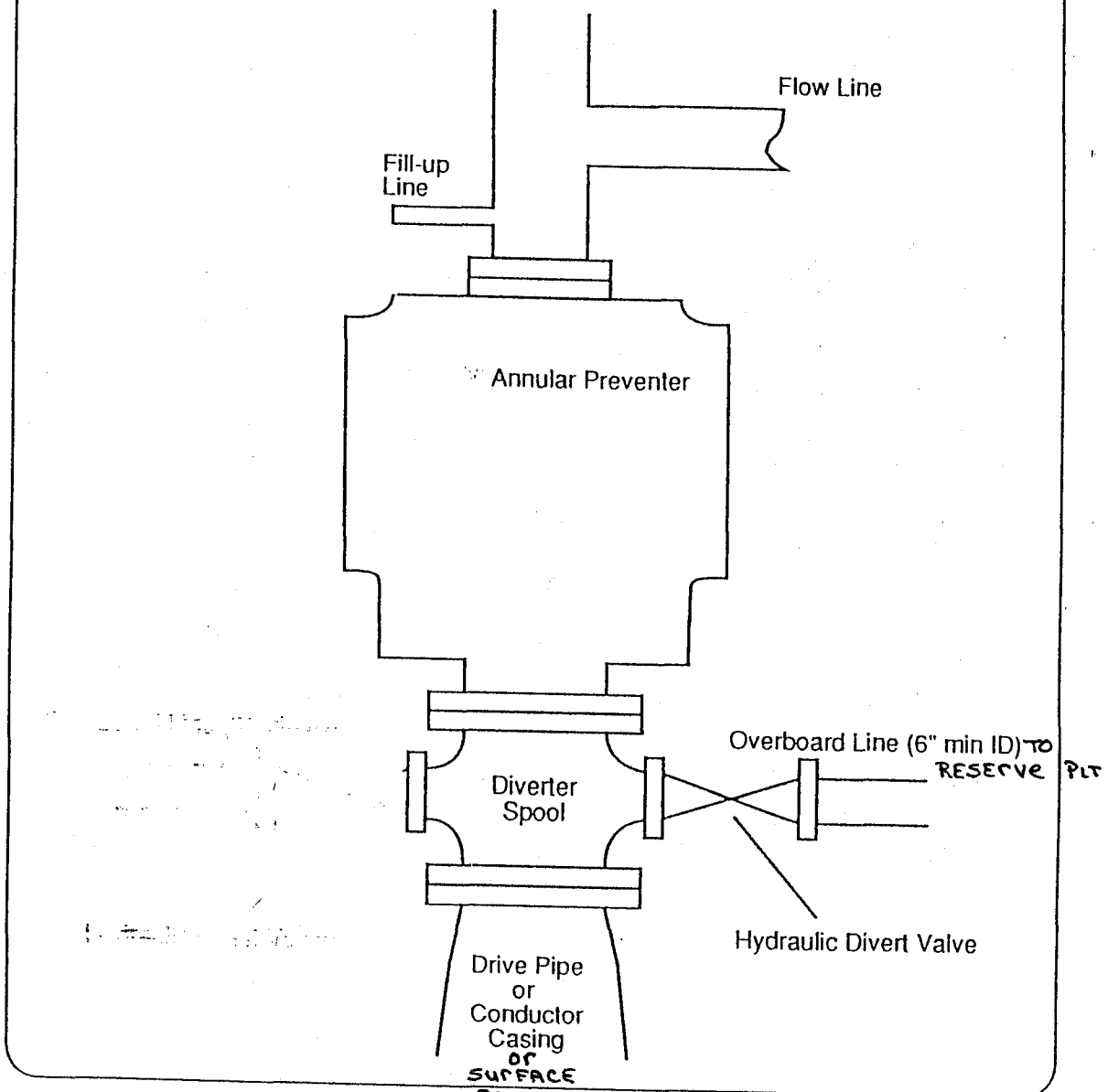
See Attached Information

Prepared by: JRS
Date 07/11/91

Drlg. Supt.
Date 1/July 91

DHH(91)

Figure 11N.1 - Diverter Hookup



Rev 1/1/89

STATE OF UTAH
NATURAL RESOURCES
Water Rights

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Robert L. Morgan, State Engineer

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Price, UT 84501-0718 • 801-637-1303

July 19, 1991

Cecil J. Fowler Sr.
P.O. Box 2204
Kirtland, New Mexico 87417

Re: Temporary Change Application t91-05-06
1) Kane Creek State #1-36 Well - NW4SE4 Section 36, T27S, R20E, SLB&M 43-037-31631
2) Shay Graben #1-27 Well - NE4SW4 Section 27, T31S, R22E, SLB&M
Expiration Date: July 18, 1992

Dear Mr. Fowler:

The above referenced Temporary Change Application is hereby approved, and a copy is enclosed for your information and records.

If you have any questions, please feel free to contact me.

Sincerely,

Mark P. Page

Mark P. Page
Area Engineer

cc: Tammy Searing - Division of Oil, Gas & Mining
Billy Hass - Aable Trucking
Chevron USA, Inc.

Enclosures
MPP/mjk

APPLICATION FOR TEMPORARY CHANGE OF WATER

RECEIVED
JUL 22 1991
DIVISION OF OIL, GAS & MINING

RECEIVED
MAY 24 1991
STATE OF UTAH
WATER RIGHTS
PRICE

Rec. by _____
Fee Paid $ _____
Receipt # _____
Microfilmed _____
Roll # _____

For the purpose of obtaining permission to make a temporary change of water in the State of Utah, application is hereby made to the State Engineer, based upon the following showing of facts, submitted in accordance with the requirements of Section 73-3-3 Utah Code Annotated 1953, as amended.

*WATER RIGHT NO. 05 - Area *APPLICATION NO. t 91 - 05 - 06

Changes are proposed in (check those applicable)

_____ point of diversion. X place of use. X nature of use. X period of use.

1. **OWNER INFORMATION**

Name: Cecil J. Fowler Sr. *Interest: 100 %

Address: P.O. Box 2204

City: Kirtland State: New Mexico Zip Code: 87417

2. ***PRIORITY OF CHANGE:** July 19, 1991 ***FILING DATE:** July 19, 1991

*Is this change amendatory? (Yes/No): No

3. **RIGHT EVIDENCED BY:** 05-96 (A24672) Cert. #5799

Prior Approved Temporary Change Applications for this right: Six

********** **HERETOFORE** **********

4. **QUANTITY OF WATER:** 0.292 cfs and/or _____ ac-ft.
5. **SOURCE:** Underground Water Well
6. **COUNTY:** San Juan
7. **POINT(S) OF DIVERSION:**

N. 2738 ft. & E. 1213.5 ft. from SW Cor. Sec. 11, T30S, R23E, SLB&M.

Description of Diverting Works: 6-inch diameter well, 972 feet deep

8. **POINT(S) OF REDIVERSION**

The water has been rediverted from _____ at a point: _____

Description of Diverting Works: _____

9. **POINT(S) OF RETURN**

The amount of water consumed is 0.292 cfs or _____ ac-ft.

The amount of water returned is _____ cfs or _____ ac-ft.

The water has been returned to the natural stream/source at a point(s): _____

***These items are to be completed by the Division of Water Rights.**

10. **NATURE AND PERIOD OF USE**

Irrigation:	From March 1	to November 1
Stockwatering:	From March 1	to November 1
Domestic:	From _____	to _____
Municipal:	From _____	to _____
Mining:	From _____	to _____
Power:	From _____	to _____
Other:	From _____	to _____

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JUL 22 1991
DIVISION OF
OIL GAS & MINING

11. **PURPOSE AND EXTENT OF USE**

Irrigation: 10.3 acres. Sole supply of _____ acres.
Stockwatering (number and kind): 5 Horses, 10 Cattle
Domestic: _____ Families and/or _____ Persons.
Municipal (name): _____
Mining: _____ Mining District in the _____ Mine.
Ores mined: _____
Power: Plant name: _____ Type: _____ Capacity: _____
Other (describe): _____

12. **PLACE OF USE**

Legal description of place of use by 40 acre tract(s): SW¼NW¼ Sec. 11, T30S, R23E, SLB&M

13. **STORAGE**

Reservoir Name: _____ Storage Period: from _____ to _____
Capacity: _____ ac-ft. Inundated Area: _____ acres.
Height of dam: _____ feet.
Legal description of inundated area by 40 tract(s): _____

********** **THE FOLLOWING CHANGES ARE PROPOSED** **********

14. **QUANTITY OF WATER:** _____ cfs and/or 10.0 ac-ft.
15. **SOURCE:** Underground Water Well
Balance of the water will be abandoned: _____, or will be used as heretofore: X
16. **COUNTY:** San Juan
17. **POINT(S) OF DIVERSION:** _____
Same as Heretofore

Description of Diverting Works: Same as Heretofore
*COMMON DESCRIPTION: 11 miles SW of LaSal Sandstone Draw Quad

18. **POINT(S) OF REDIVERSION**

The water will be rediverted from _____ at a point: _____

Description of Diverting Works: _____

19. **POINT(S) OF RETURN**

The amount of water to be consumed is _____ cfs or 10.0 ac-ft.
The amount of water to be returned is _____ cfs or _____ ac-ft.
The water will be returned to the natural stream/source at a point(s): _____

20. NATURE AND PERIOD OF USE

Irrigation: From ___/___/___ to ___/___/___
Stockwatering: From ___/___/___ to ___/___/___
Domestic: From ___/___/___ to ___/___/___
Municipal: From ___/___/___ to ___/___/___
Mining: From ___/___/___ to ___/___/___
Power: From ___/___/___ to ___/___/___
Other: From 7 / 19 / 91 to 7 / 18 / 92

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JUL 22 1991
DIVISION OF
OIL GAS & MINING

21. PURPOSE AND EXTENT OF USE

Irrigation: _____ acres. Sole supply of _____ acres.
Stockwatering (number and kind): _____
Domestic: _____ Families and/or _____ Persons.
Municipal (name): _____
Mining: _____ Mining District at the _____ Mine.
Ores mined: _____
Power: Plant name: _____ Type: _____ Capacity: _____
Other (describe): Exploratory drilling, dust suppression

22. PLACE OF USE

Legal description of place of use by 40 acre tract(s):
1) Kane Creek State #1-36: N. 2138 ft. & W. 2442 ft. from SE Cor. Sec. 36, T27S, R20E, SLB&M (NW¼SE¼).
2) Shay Graben #1-27: N. 2433 ft. & E. 2019 ft. from SW Cor. Sec. 27, T31S, R22E, SLB&M (NE¼SW¼).

23. STORAGE

Reservoir Name: _____ Storage Period: from _____ to _____
Capacity: _____ ac-ft. Inundated Area: _____ acres.
Height of dam: _____ feet.
Legal description of inundated area by 40 tract(s): _____

24. EXPLANATORY

The following is set forth to define more clearly the full purpose of this application. Include any supplemental water rights used for the same purpose. (Use additional pages of same size if necessary):
The water will be hauled by Aable Trucking of Moab, Utah for Chevron USA, Inc.
Used supplementally with 05-2369, 05-2371, 05-2372, 09-1768.

****

The undersigned hereby acknowledges that even though he/she/they may have been assisted in the preparation of the above-numbered application through the courtesy of the employees of the Division of Water Rights, all responsibility for the accuracy of the information contained herein, at the time of filing, rests with the applicant(s).

Cecil Fowler Sr.
Signature of Applicant(s)

STATE ENGINEER'S ENDORSEMENT

TEMPORARY CHANGE APPLICATION NUMBER: t91-05-06

1. July 19, 1991 Change Application received by MP.

2. July 19, 1991 Application designated for APPROVAL by MP.

3. Comments:

Conditions:
This application is hereby APPROVED, dated July 19, 1991, subject to prior rights and this application will expire on July 18, 1992.

Mark P. Page

Mark Page, Area Engineer
for
Robert L. Morgan, State Engineer

July 22, 1991

RATTLESNAKE RANCH hereby authorizes RDB TRUCKING, INC. to haul water for CHEVRON USA, INC. project at Location KANE CREEK STATE 1-36, Section 36 TW 27 S- R 20 E

Permit # 838-05-570

STATE OF UTAH
NATURAL RESOURCES
Water Rights

Norman H. Bangerter, Governor
Dee C. Hansen, Executive Director
Robert L. Morgan, State Engineer

Southeastern Area • 453 S. Carbon Avenue • P.O. Box 718 • Price, UT 84501-0718 • 801-637-1303

July 31, 1991

Division of Oil, Gas & Mining
Attn: Tammy Searing
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203

Re: 1) Meridian Oil Inc.
Federal #22-33H - Section 33, T27S, R21E, SLB&M - 43-037-31630
2) Chevron USA Inc.
Kane Creek State #1-36 - Section 36, T27S, R20E, SLB&M 43-037-31631

Dear Tammy:

Enclosed is the authorization for the use of the water under file #05-570 (D838), held by Norma P. Blankenagel of LaSal, Utah. The water will be hauled to each of these wells by RDB Trucking Inc.

No further authorization with reference to a water right will be needed by this office. If you have any questions concerning the enclosed, please feel free to contact me.

Sincerely,

Mark P. Page
Area Engineer

Enclosures
MPP/mjk

CONFIDENTIAL

DIVISION OF OIL, GAS AND MINING

API NO. 43-037-31631

SPUDDING INFORMATION

NAME OF COMPANY: CHEVRON U.S.A. INC.

WELL NAME: CANE CREEK STATE 1-36

SECTION NWSE 36 TOWNSHIP 27S RANGE 20E COUNTY SAN JUAN

DRILLING CONTRACTOR GRACE

RIG # 173

SPUDDED: DATE 9-6-91

TIME 5:00 a.m.

HOW ROTARY

DRILLING WILL COMMENCE

REPORTED BY GLENN GOODWIN

TELEPHONE #

DATE 9-9-91 SIGNED TAS/FRM

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
BOPE TEST INSPECTION FORM

Jim Marshall

COMPANY: Chevron USA Inc REPRESENTATIVE: Austin Jennings

WELL NAME: Cane Crk State 1-36 API# 43-037-31631

QTR/QTR SE NE SECTION 36 WELLSIGN y TWP 22S RANGE 20E

INSPECTOR: Glenn Goodwin DATE: 9/9/91

DRILLING CONTRACTOR Grace 273 RIG # ___

RIG OPERATIONS: Nippling up BOP

DEPTH 700' LAST CASING 13 3/8 @ 200'

TEST BY Double Jack WATER y MUD ___

PRESSURE RATING OF STACK 10,000 H2S RATED y

TEST PRESSURES 250 / 5000 KELLYCOCK: UPPER y LOWER y

INSIDE BOP ___ FULL OPENING VALVE ON FLOOR y

WRENCH FOR FULL OPENING VALVE/KELLYCOCK ON FLOOR y

STACK - LISTED AS ARRANGED - TOP TO BOTTOM:

1. Grant Rotating head
2. Hydrill Anular BoP
3. Blind Rams
4. Top Pipe Rams
5. Bottom Pipe Rams
6. ___

ADDITIONAL COMMENTS: Everything tested Low 250# High 5000# Except Hydrill Low 250# High 2500# 15 min. Each Low & High Lower Kelly Valve replace w/Pre tested Valve - test copy will be sent by mail from Double Jack

REPORTED BY: Jim Marshall PHONE: 713-261-5235

DATE: 9/9/91 SIGNED: ___

(IF TESTED BY INDEPENDENT COMPANY, ATTACH COPY OF TEST)

0451T

STATE OF UTAH
DIVISION OF OIL, GAS AND MINING

ENTITY ACTION FORM - DOGM FORM 6

RECEIVED
SEP 16 1991
DIVISION OF
OIL GAS & MINING

OPERATOR Chevron U.S.A. Inc.

ADDRESS PO Box 599
Denver, CO 80201

OPERATOR CODE N0210

PHONE NO. 303 , 930-3691

OPERATORS MUST COMPLETE FORM UPON SPUDDING NEW WELL OR WHEN CHANGE IN OPERATIONS OR INTERESTS NECESSITATES CHANGE IN EXISTING ENTITY NUMBER ASSIGNMENT.

ACTION CODE	CURRENT ENTITY NO.	NEW ENTITY NO.	API NUMBER	WELL NAME	WELL LOCATION					SPUD DATE	EFFECTIVE DATE
					QQ	SC	TP	RG	COUNTY		
A	99999	11266	43-037-31631	Cane Creek State 1-36	NW/SE	36	27S	20E	San Juan	9/6/91	

COMMENTS: Exploratory Well State-Lease Field-Wildcat Unit- N/A Prop.Zone-CNCR (Entity added 9-18-91) lr

COMMENTS:

COMMENTS:

COMMENTS:

COMMENTS:

ACTION CODES:
A - ESTABLISH NEW ENTITY FOR NEW WELL (SINGLE WELL ONLY)
B - ADD NEW WELL TO EXISTING ENTITY (GROUP OR UNIT WELL)
C - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO ANOTHER EXISTING ENTITY
D - RE-ASSIGN WELL FROM ONE EXISTING ENTITY TO A NEW ENTITY
E - OTHER (EXPLAIN IN COMMENTS SECTION)

(SEE INSTRUCTIONS ON BACK OF FORM)

J.R. Watson
SIGNATURE

Permit Specialist 9/6/91
TITLE DATE

DOUBLE JACK TESTING AND SERVICE, INC.

B.O.P. nipple up and B.O.P. testing services
Hydraulic B.O.P. Lifts
Formation casing & leak-off testing
2bb up to 5000 PSI...3 GPM up to 20,000 PSI
Methanal and Chemical Injection

Rod Stott

Durango, CO (303) 259-5926
Mobile Unit (303) 247-1412, #587

Double Jack Testing & Services Inc.

P.O. Box 516
Shoshoni, WY 82649
(307) 876-9390

FIELD TICKET 09556

DATE: 9-9-91
RIG NAME & NO.: Grace Drlg Co. #273
OPERATOR: Chevron U.S.A.
WELL NAME & NO.: Cane Creek State 1-36

COUNTY	STATE	SECTION	TOWNSHIP	RANGE
San Juan	Ut.	36	27S	20E

43-037-31631

ITEMS TESTED	LOW TEST PSI	TIME HELD MINUTES	HIGH TEST PSI	TIME HELD MINUTES
5" Top Pipe Rams	250	15	5000	15
5" Bottom Pipe Rams	250	15	5000	15
Blind Rams	250	15	5000	15
Annular B.O.P.	250	15	2500	15
Choke Manifold	250	15	5000	15
Choke Line	250	15	5000	15
Kill Line	250	15	5000	15
Super Choke				
Upper Kelly	250	15	5000	15
Lower Kelly				
Floor Valve	250	15	5000	15
Dart Valve	250	15	5000	15

Closing Unit Psi: 3000psi
Closing Time of Rams: 11sec
Closing Time of Annular: 17sec
Closed Casing Head Valve: yes
Set Wear Sleeve: yes

COMMENTS

ADDITIONAL TESTS & COMMENTS

Test 13 3/8" casing 1000psi - 30 min

RECEIVED
SEP 18 1991
DIVISION OF
OIL GAS & MINING

WI-225900-AWJ
HDEI-FF01

Start testing 11:30 Am 9-9-91
Finish Testing 12:30 Am 9-10-91

TEST PLUG	12" Vetco Gray	N/C
RET. TOOL	Vetco Gray	on location
TOP SUB.	4 1/2" IF	N/C
KELLY SUB.	4 1/2" IF	N/C
X-OVER SUB.	4 1/2" IF - 4 1/2" X-H	N/C

RATES

UNIT RATES	7 hr minimum	700.00
ADDITIONAL	6 hrs overtime @ 50.00/hr F/Truck and Equipment	300.00
MILEAGE	Round Trip F/Durango Shop 300mi @ 1.00/mi	300.00
METHANOL		
OTHER		

James Marshall
CO. REP.

Rod Stott
TESTED BY

Unit #102
DOUBLE JACK TESTING UNIT NUMBER

SUB TOTAL 1300.00
TAX
TOTAL

NOTICE TO ALL CUSTOMERS

If this account shall not be paid when due and it is placed with an attorney for collection, or if suit be instituted for collection, the undersigned agree(s) to pay in either case, reasonable expense of collection including attorney's fees and court cost in compliance with TRUTH IN LENDING AND THE UNIFORM CONSUMER CREDIT CODE, the following information disclosure, Under the terms of our regular accounts, all amounts for service due and payable within THIRTY (30) DAYS from the receipt of an invoice for such services A LATE CHARGE will be assessed when accounts are not paid when due. THE LATE CHARGE is computed by a "periodic rate" 1-3/4% PER MONTH which is an ANNUAL PERCENTAGE RATE OF 21% to the previous balance in the account on the billing date. No further credit can be extended on unpaid delinquent accounts until the delinquent account is paid in full. The contractor will not be held liable for damages caused by acts of God, or unforeseen circumstances that could not be reasonably anticipated in performing the work done as set forth above.

Cane Creek State 1-36
San Juan, Ut.

① Bottom Pipe Rams (5") + TIW
250psi 15min 11:30-11:45 Am — 5000psi 15min 11:45-12:Pm

② Top Pipe Rams (5") + O.S. Manifold vlvs. + O.S. Kill line vlv.
250psi 15min 12:15-12:30 Pm — 5000psi 15min 12:35-12:50 Pm

③ Top Pipe Rams + Middle Manifold vlvs. + I.S. kill line vlv
250psi 15min 1:00-1:15 Pm — 5000psi 15min 1:15-1:30 Pm

④ Top Pipe Rams + Check vlv + Manual Choke line vlv
250psi 15min 1:35-1:50 — 5000psi 15min 1:55-2:10 PM

⑤ Top Pipe Rams + H.C.R. + Dart vlv
250psi 15min 2:55-3:10 Pm — 5000psi 15min 3:15-3:30 Pm

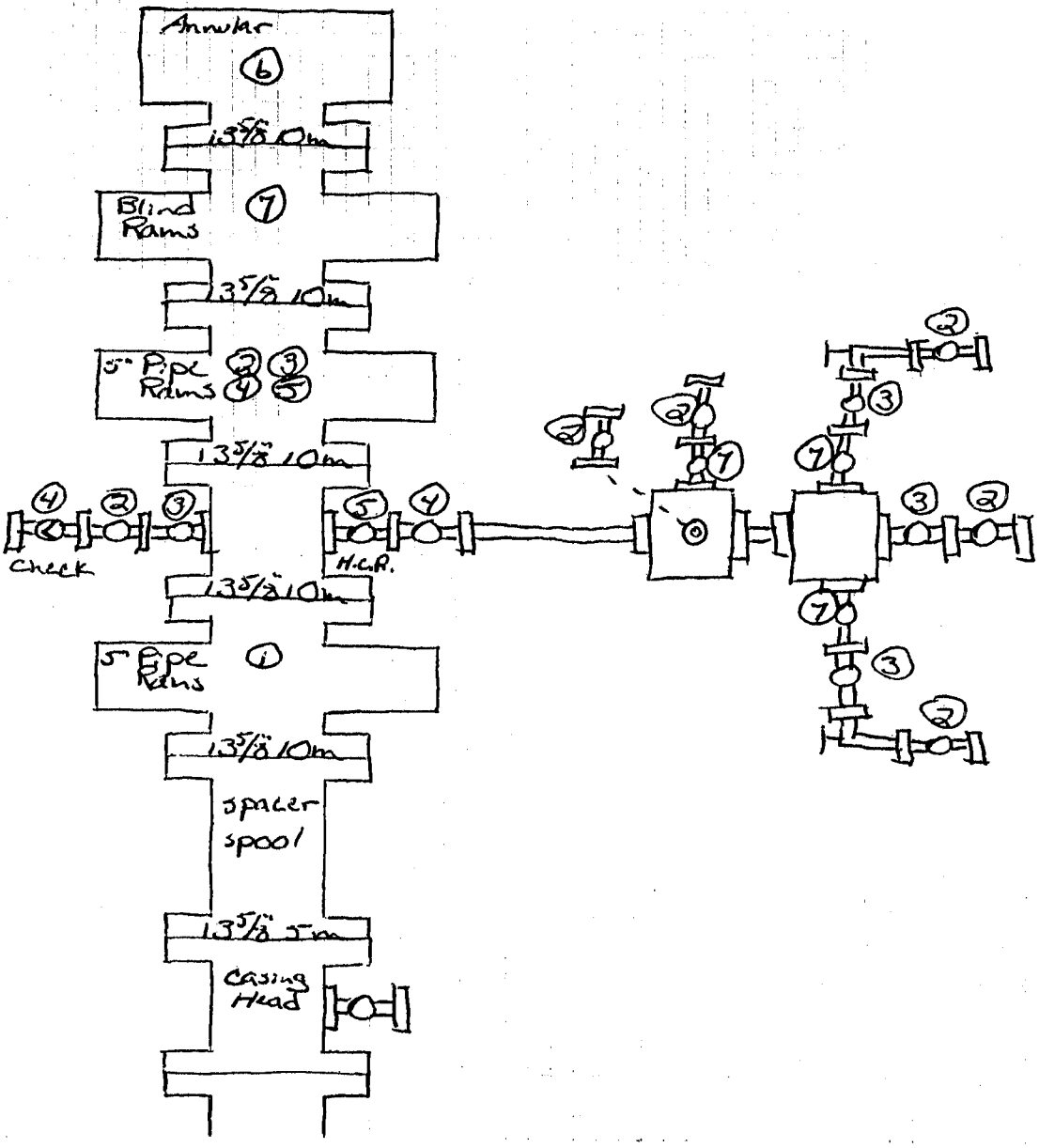
⑥ Annular
250psi 15min 3:55-4:10 Pm — 2500 [redacted] psi 15min 4:10-4:25 Pm

⑦ Blind Rams + I.S. Manifold vlvs
250psi 15min 4:40-4:55 Pm — 5000psi 15min 4:55-5:10 Pm

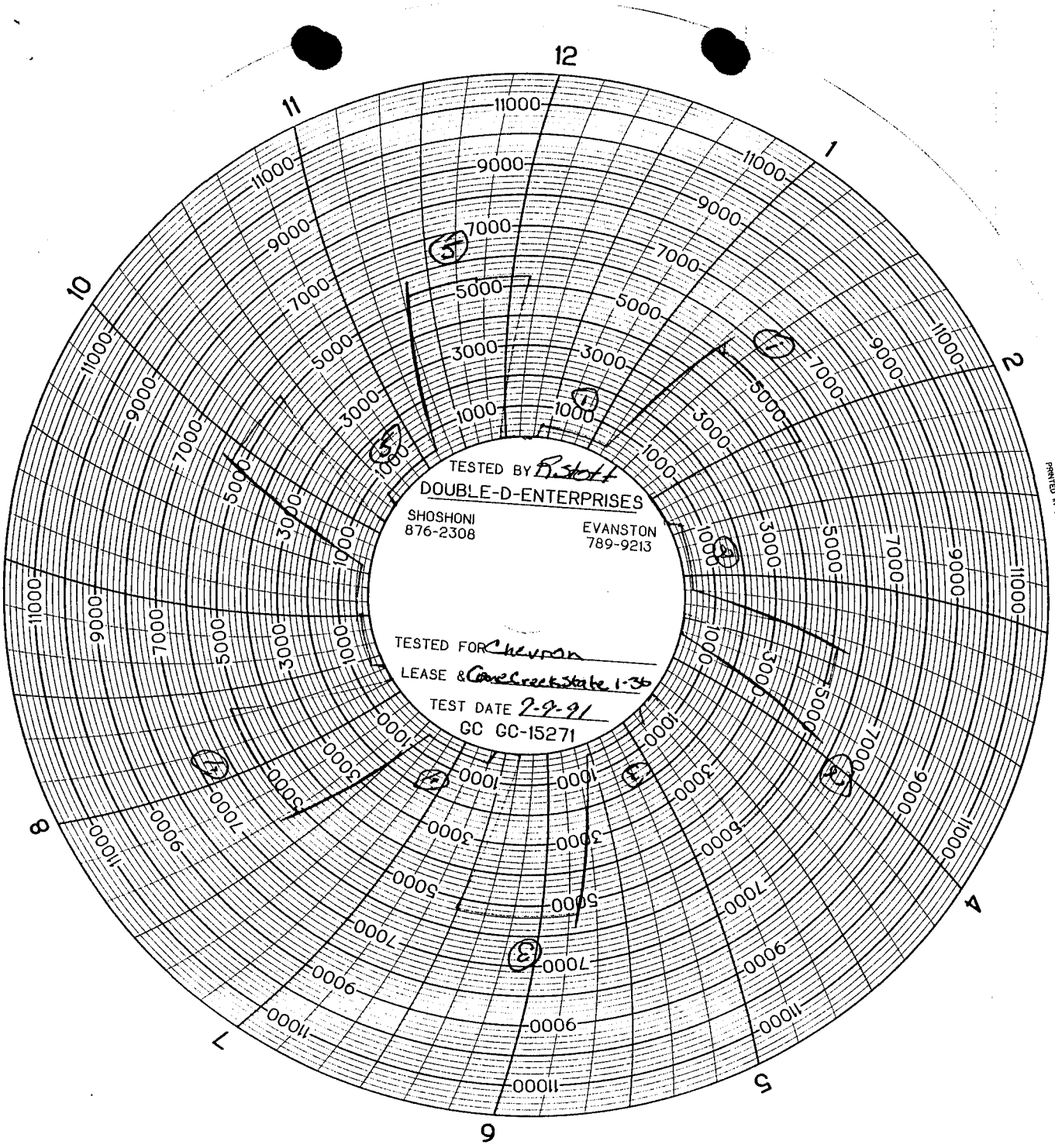
⑧ Upper kelly vlv
250psi 15min 6:05-6:20 Pm — 5000psi 15min 6:30-6:45 Pm

⑨ Lower kelly vlv
NO TEST

⑩ 13 3/8" Csng.
1000psi 30min 11:45-12:15 Am



Rod Stott
Double Jack Testing
Thank You


12
1
2
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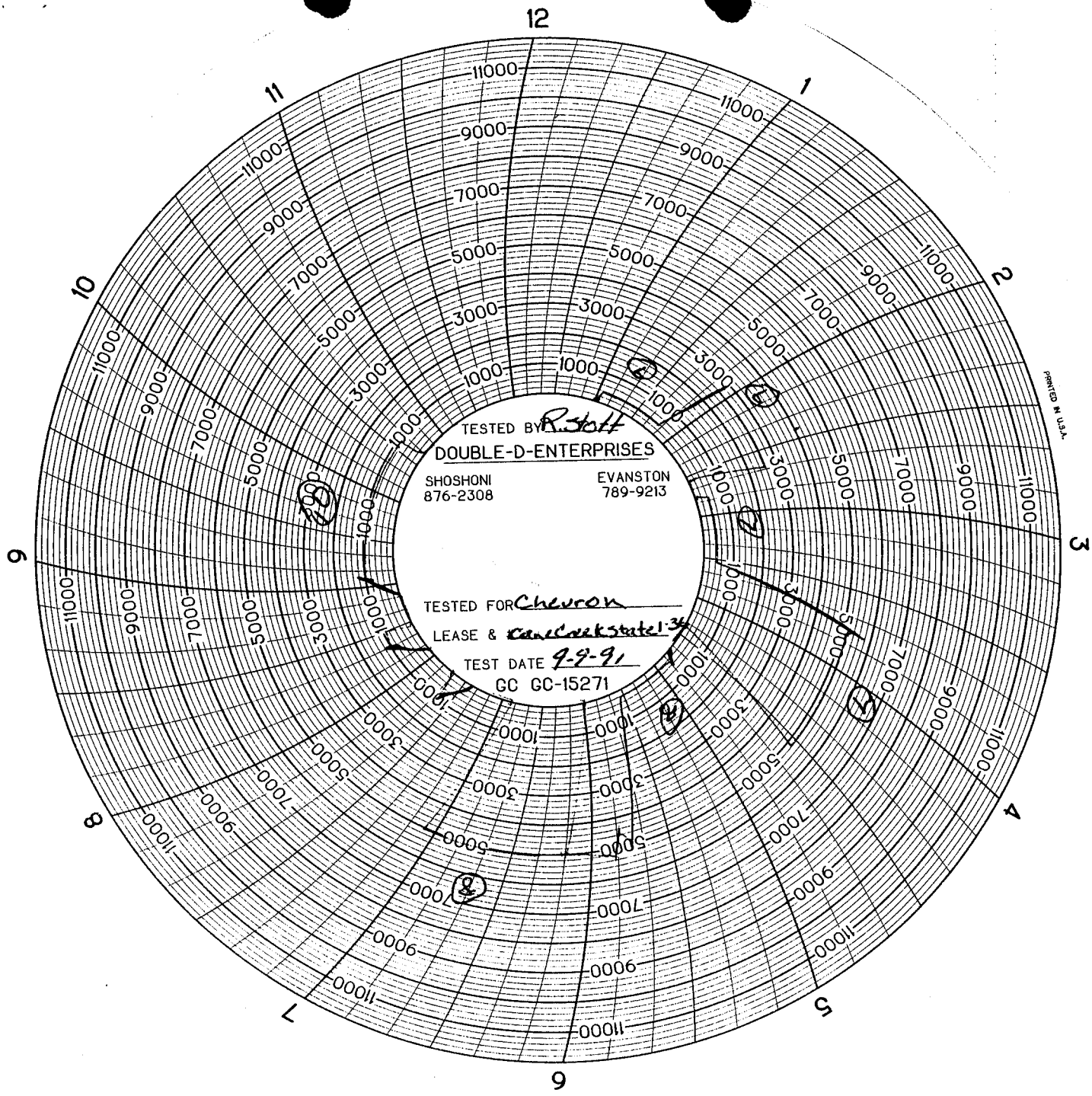
8
9
10
11
TESTED BY R. Stott
DOUBLE-D-ENTERPRISES
SHOSHONI
876-2308
EVANSTON
789-9213
TESTED FOR Chevron
LEASE & Cove Creek State 1-36
TEST DATE 2-9-91
GC GC-15271
PRINTED IN U.S.A.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TESTED BY R. Stott
DOUBLE-D-ENTERPRISES
SHOSHONI
876-2308
EVANSTON
789-9213
TESTED FOR Chevron
LEASE & Cane Creek State 1-36
TEST DATE 9-9-91
GC GC-15271
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STATE OF UTAH
DIVISION OF OIL, GAS AND MINING
BOPE TEST INSPECTION FORM

COMPANY: Chevron USA REPRESENTATIVE: Dale merrill

WELL NAME: Cane Crk St. 1-36 API# 43-037-31631

QTR/QTR SE NE SECTION 36 WELLSIGN Y TWP 27S RANGE 20E

INSPECTOR: Glenn Goodwin DATE: 9/29/31

DRILLING CONTRACTOR Grace 273 RIG #

RIG OPERATIONS: Will go back in hole core before Plug back

DEPTH 7000' LAST CASING 9 5/8" @ 4600'

TEST BY Double Jack WATER Y MUD

PRESSURE RATING OF STACK 10,000 H2S RATED Y

TEST PRESSURES 250 / 6600 KELLYCOCK: UPPER Y LOWER Y

INSIDE BOP Y FULL OPENING VALVE ON FLOOR Y

WRENCH FOR FULL OPENING VALVE/KELLYCOCK ON FLOOR Y

STACK - LISTED AS ARRANGED - TOP TO BOTTOM:

1. Inside Choke Man.
2. 2nd Choke man. Valves
3. Super Choke two down Stream valves
4. Down Stream Valve Past Super Choke
5. Blind Rams - inside Kill
6. Upper Pipe Rams & second Kill & HCR & Two

ADDITIONAL COMMENTS: 5 min. on Low & 15 Min. on High

REPORTED BY: Dale Merrill PHONE:

DATE: 9/29/91 SIGNED:

(IF TESTED BY INDEPENDENT COMPANY, ATTACH COPY OF TEST)

0451T

Chevron U.S.A.
Cane Creek State 1-36
San Juan Ut.
S.36 T27S R.20E

9-19-91

43-037-31631

Grace #273

① Bottom Pipe Rams (5") + TIW
250psi 5min 4:25-4:30 Am — 6500psi 15min 4:30-4:45 Am

② Top Pipe Rams (5") + O.S. Kill vlv + O.S. Manifold vlvs
250psi 5min 5:20-5:25 Am — 6500psi 15min 5:25-5:50 Am

③ Top Pipe Rams + #3 Manifold vlvs + I.S. kill vlv
250psi 5min 6:00-6:05 Am — 6500psi 15min 6:05-6:20 Am

④ Top Pipe Rams + #4 Manifold vlvs + Check vlv
250psi 5min 6:30-6:35 Am — 6500psi 15min 6:35-6:50 Am

⑤ Top Pipe Rams + O.S. choke line vlv
250psi 5min 6:55-7:00 Am — 6500psi 15min 7:00-7:15 Am

⑥ Top Pipe Rams + H.C.R. + Dart vlv
250psi 5min 7:20-7:25 Am — 6500psi 15min 7:25-7:40 Am

⑦ Annular
250psi 5min 8:05-8:10 Am — 2500psi 15min 8:10-8:25 Am

⑧ Blind Rams + Super Choke
250psi 5min 8:45-8:50 Am — 6500psi 15min 8:50-9:05 Am

⑨ Blind Rams + #9 Manifold vlv
250psi 5min 9:10-9:15 Am — 6500psi 15min 9:15-9:30 Am

⑩ Lower kelly vlv
250psi 5min 10:40-10:45 Am — 6500psi 15min 10:45-11:00 Am

⑪ Upper kelly vlv
250psi 5min 11:10-11:15 Am — 6500psi 15min 11:15-11:30 AM

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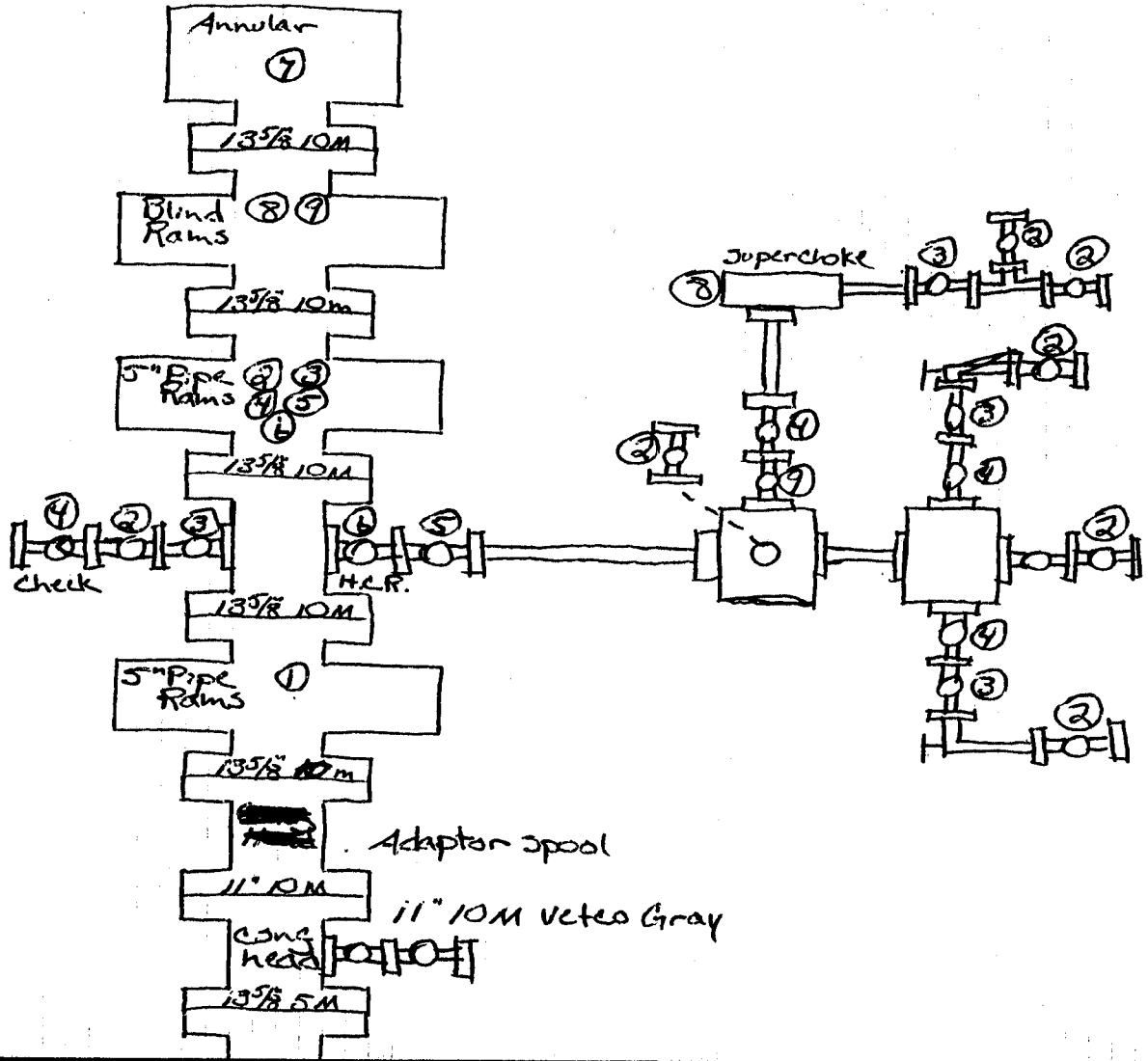
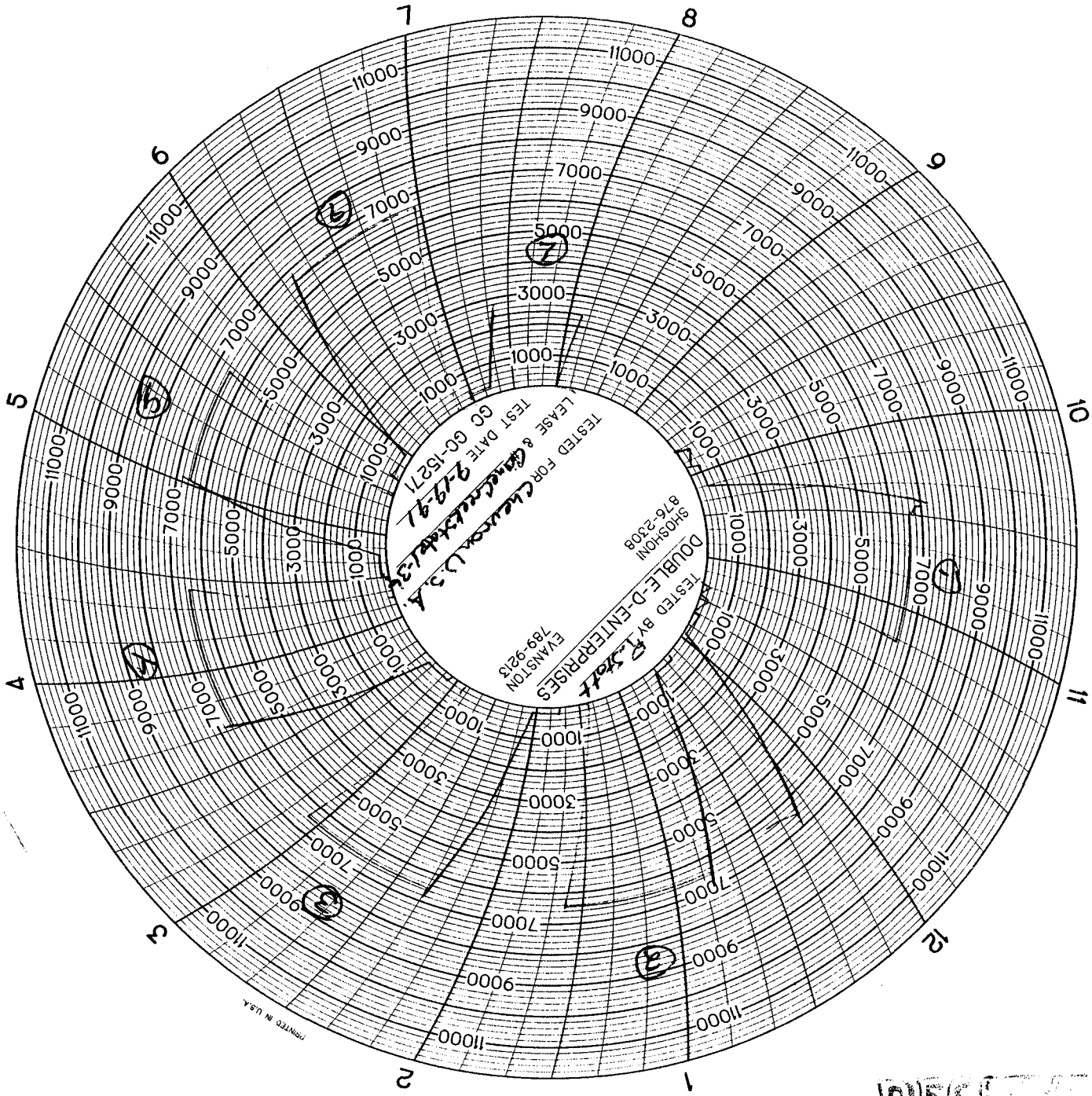
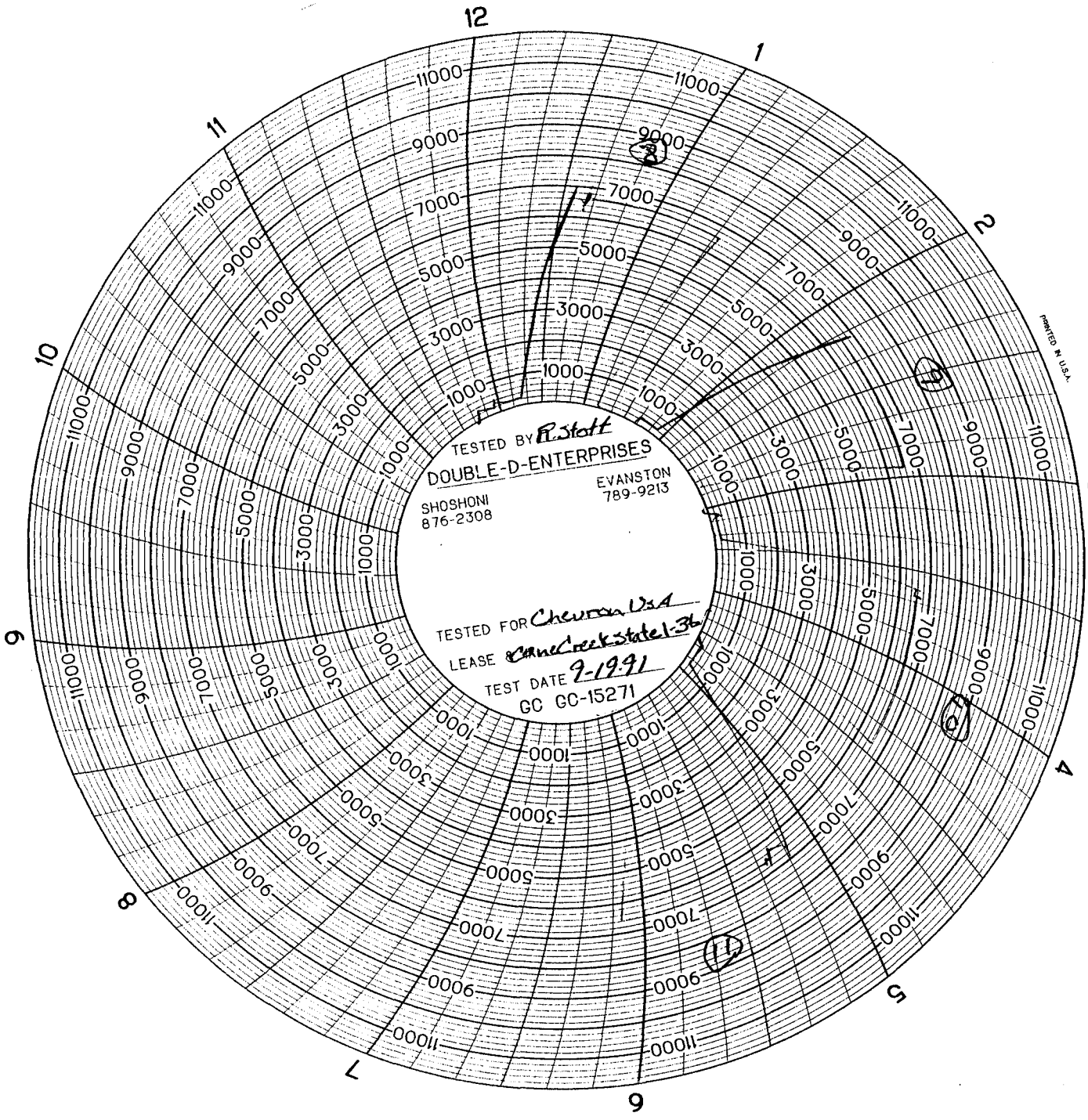
OCT 0 3 1991
DIVISION OF
OIL GAS & MINING



Rod Stott
Double Jack Testing
Thank You





Form OGC-1b

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: Chevron U.S.A. Inc.

3. ADDRESS OF OPERATOR: P.O. Box 599, Denver, CO 80201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 2442' FEL, 1728' FSL

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME:

9. WELL NO.: Cane Creek St. #1-36

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 36, T27S, R20E

14. PERMIT NO.: 43-037-31631

15. ELEVATIONS (Show whether DF, RT, GR, etc.):

12. COUNTY OR PARISH: San Juan

13. STATE: UT

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[X]	(Other)			[ ]
(Other)			[ ]	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

1. Adequate geological information was obtained on the vertical hole section allowing the well depth to be revised to 7300' compared to the originally approved 7550'.

2. After completing the open hole evaluation on October 11, 1991, the well was plugged back with cement from 7300' to 6300'. The plug was set to isolate the bottom of the hole and to allow the kick-off of the well so that the horizontal section could be drilled. The above was discussed with Mr. F. Mathews with the State DOGM and the drill reps. Please note that a second cement plug had to be set from 6625' to 6300' on October 14, because adequate compressive strength had not developed.

3. The well azimuth and displacement of the horizontal section is changed to reflect the geological evaluation to S45°W and 2373'. The new bottom hole location will be: 460' FSL AND 1160' FWL, Section 36, T27S, R20E. This will give us the required 460' setback from the lease line.

4. The well will be drilled horizontally in the Cane Creek "B" interval found at 7032' TVD on the DIL log and adjustments to true vertical depth will be made so as to stay within the boundaries.

CONFIDENTIAL

RECEIVED
OCT 21 1991
DIVISION OF
OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED J.R. Watson TITLE Permit Specialist DATE 10/15/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

Form OGC-1b

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

[redacted] IN TRIPLICATE*
(Other instructions on reverse side)

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

RECEIVED
OCT 31 1991
DIVISION OF OIL GAS & MINING

1. OIL WELL [X] GAS WELL [ ] OTHER

2. NAME OF OPERATOR: Chevron U.S.A. Inc.

3. ADDRESS OF OPERATOR: PO Box 599, Denver, CO 80201

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 2442' FEL, 1728' FSL

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

7. UNIT AGREEMENT NAME:

8. FARM OR LEASE NAME:

9. WELL NO.: Cane Creek St. #1-36

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 36, T27S, R20E

14. PERMIT NO.: 43-037-31631

15. ELEVATIONS (Show whether DF, RT, GR, etc.):

12. COUNTY OR PARISH: San Juan

13. STATE: Utah

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	[ ]	PULL OR ALTER CASING	[ ]	WATER SHUT-OFF	[ ]	REPAIRING WELL	[ ]
FRACTURE TREAT	[ ]	MULTIPLE COMPLETE	[ ]	FRACTURE TREATMENT	[ ]	ALTERING CASING	[ ]
SHOOT OR ACIDIZE	[ ]	ABANDON*	[ ]	SHOOTING OR ACIDIZING	[ ]	ABANDONMENT*	[ ]
REPAIR WELL	[ ]	CHANGE PLANS	[X]	(Other)			[ ]
(Other)			[ ]	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.) *

The following was discussed between Frank Matthews, DOGM, and John Swinson on October 24, 1991:

INTERMEDIATE CASING RUNNING & CEMENTING PROCEDURE:

OBJECTIVES: Drill the build section of the well into the Cane Creek "B", run and cement 7" casing through the build section. Reduce the mud weight, drill ±500' of Cane Creek, evaluate the open hole and perform a drill stem test. Decision to proceed ahead will depend on the results of the DST.

GENERAL PROCEDURE: 1) Drill the build section into the Cane Creek to 7288'MD/7032'TVD. CCM.

2) POOH, P/U steerable BHA and PDC, RIH, drill ahead to 7350'FTMD/7032'FTTVD. CCM, short trip to kick off point, CCM.

3) POOH L/D drill pipe to run casing.

4) Make up and run casing to total depth as follows: Float shoe
2 - Joints 7", 29 PPF L-80 SL-HC casing
Float collar
7", 29 PPF, L-80, SL-HC (run all on location ±1200')
Crossover - SL-HC pin x LTC box
7", 29 PPF, L-80, LTC to surface

5) Install centralizers as needed. Ensure adequate stand-off through the build section.

6) If needed, wash casing to bottom, CCM to premium properties. Reciprocate casing throughout cement job if well conditions permit.

7) Pump 20 bbls SAM-4 spacer, drop bottom plug.

8) Mix and pump cement with additives: Class "H"; 3% KCL; 0.3% Halad 322; 0.6% Halad 344; FW - 0%; WL - 28 cc; T.T. - 2 hrs., 32 min.; Density - 16.4 PPG, Yield - 1.06 CF/SX.

(Continued - see attached sheet.)

18. I hereby certify that the foregoing is true and correct

SIGNED J R Watson TITLE Permit Specialist DATE 10/25/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____

CONDITIONS OF APPROVAL, IF ANY:

APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 11-1-91
BY: J.R. Matthews

*See Instructions on Reverse Side

8. Cement from 7" shoe to 1000' inside the 9-5/8" casing at 4635'. Base open hole plus 10%.

9. Drop top plug.

10. Displace cement with mud, bump plug. If plug does not bump, do not over displace 1/2 the shoe volume. Reciprocate casing.

11. Check floats, RD Halliburton.

12. If well is stable, P/U stack and set casing slips, install and test section "C" tubing head to 80% of the collapse on the 7".

13. Install and test BOPE's to 6500 PSI.

14. P/U slick BHA and 3-1/2" drill pipe, RIH to float collar, test casing to 3500 PSI.

15. Drill out casing and float equipment plus 8-10' of new formation. CCM while reducing mud weight. Final mud weight before drilling ahead to be based on well indications. POOH.

16. P/U steerable BHA, Sperry Sun MWD (GR/directional) and RIH.

17. Drill ±500' of horizontal hole within the Cane Creek interval.

18. Run open hole evaluation, therefore, open hole logs, drill stem test etc. Decision to proceed ahead to be determined by evaluation.

Division of Oil, Gas and Mining

PHONE CONVERSATION DOCUMENTATION FORM

Route original/copy to:
[] **Well File** Clare. Cleek 1-36 [] **Suspense** (Return Date) _____ (To - Initials) _____ [] **Other** _____

(Location) Sec 36 Twp 29S Rng 20E
(API No.) 43-037-31631

1. Date of Phone Call: 11-11-91 Time: 9:30 AM

2. DOGM Employee (name) Frank Matthews (Initiated Call [])
Talked to:
Name John Swenson (Initiated Call [x]) - Phone No. (303) 930-3604
of (Company/Organization) Chevron USA Inc.

3. Topic of Conversation: Plugging procedure for the referenced well.

4. Highlights of Conversation: Place CR @ ± 7250 just above float collar in 7" pump enough cement to fill horizontal portion of hole. Dump 100' cement on top of retainer. Set CIBP @ ± 5350 dump 100 ft cement on BP. Set bal. plug from ± 4685 to 4332 to cover top of salt. 50' plug @ surface Plan to cut off 7" at 50' & set BP to be able to fill 13 3/8 csg to surface.

Chevron U.S.A. Inc.
6400 South Fiddler's Green Circle, Englewood, CO 80111, P.O. Box 599, Denver, CO 80201

November 12, 1991

C.A. Gordy
Manager - Drilling

CHEVRON CANE CREEK #1-36 WELL
SECTION 36, T27S, R20E
SAN JUAN COUNTY, UTAH
PERMISSION TO DISPOSE OF
RESERVE WASTE WATER

43-037-31631

Mr. G. Hunt
State of Utah
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City,Utah 84180-1203

Dear Mr. Hunt,

Chevron has completed the drilling and evaluation of its Cane Creek State #1-36 well. The well is a dry hole and will be Plugged and Abandoned.

Chevron requests permission to dispose of the reserve pit waste water down the 13-3/8" x 9-5/8" casing annulus. The 13-3/8" casing was set into the Chinle Formation at 697'. The 9-5/8" casing was set into the Desert Creek Formation at 4635'. The Top Salt is estimated at 4382' by open hole logs.

The primary cement job on the 9-5/8" casing was questionable with no indications of fluid returns or rise in the annulus. Several top jobs were performed on the 13-3/8" x 9-5/8" annulus but continued to stay on a vacuum. No further remedial operations have been performed to date.

We would like to discuss the options and requirements of disposing of the water in the reserve pit. Please contact Mr. J.R. Swinson at (303) 930-3604 or Ms. J. Watson at 930-3691.

Sincerely,

C.A. Gordy

jrs/dispose

Form OGC-1b

SUBMIT IN TRIPLICATE (Other instructions on reverse side)

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER

7. UNIT AGREEMENT NAME:

2. NAME OF OPERATOR: CHEVRON U.S.A. INC.

8. FARM OR LEASE NAME: CANE CREEK STATE

3. ADDRESS OF OPERATOR: P.O. BOX 599, DENVER, CO. 80201

9. WELL NO.: 1-36

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.* See also space 17 below.) At surface: 2442'FEL, 1728'FSL
TD 1160'FWL, 460'FSL

10. FIELD AND POOL, OR WILDCAT: WILDCAT

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: SEC. 36, T27S, R20E

14. PERMIT NO.: 43-037-31631

15. ELEVATIONS (Show whether DF, RT, GR, etc.): 5848'GR

12. COUNTY OR PARISH: SAN JUAN

13. STATE: UTAH

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	☐	PULL OR ALTER CASING	☐	WATER SHUT-OFF	☐	REPAIRING WELL	☐
FRACTURE TREAT	☐	MULTIPLE COMPLETE	☐	FRACTURE TREATMENT	☐	ALTERING CASING	☐
SHOOT OR ACIDIZE	☐	ABANDON*	☐	SHOOTING OR ACIDIZING	☐	ABANDONMENT*	☐
REPAIR WELL	☐	CHANGE PLANS	☒	(Other)			
(Other)				(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

REQUEST PERMISSION TO DISPOSE OF DRILLING FLUIDS DOWN 13 3/8" x 9-5/8" CASING ANNULUS. SEE ATTACHED FOR DETAILS.

* APPROVED BY THE STATE OF UTAH DIVISION OF OIL, GAS, AND MINING
DATE: 11-19-91
BY:

* SEE ATTACHED CONDITIONS

RECEIVED
NOV 14 1991
DIVISION OF OIL GAS & MINING

18. I hereby certify that the foregoing is true and correct

SIGNED R.D. Swan TITLE Superintendent - Drilling DATE 13-Nov.-91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

CHEVRON U.S.A. INC.
APPROVAL FOR ANNULAR INJECTION OF DRILLING FLUIDS

CANE CREEK STATE #1-36
SEC. 36, T27S, R20E, SAN JUAN COUNTY, UTAH
43-037-31631

The proposal is to allow drilling fluid (primarily salt water) to free fall down the annulus between the 13-3/8" and 9-5/8" casing strings. The hole was drilled with air and mist to a depth of 4635'. This indicates that no prolific water aquifers or fracture systems were encountered. Evidence from drilling in the area shows that strata becomes damp and salty near or below 2000' which is probably within the Cutler Formation stratigraphically. The fact that excess volumes of cement were pumped while trying to cement the 9-5/8" casing which resulted in no fluid returns or rise in the annulus above the casing shoe indicates that any fluid falling down the annulus would most likely exit the well bore near 4600' depth.

Study indicates that local ground-water flow in the area is controlled primarily by extensional faulting. These faults appear to be limited to the crest area of the Cane Creek anticline near the potash mine. Wells and mine shafts in areas void of extensional faulting encountered little ground water. While those located near faults (Texasgulf Cane Creek No. 7 Well) encountered prolific water zones. These zones are charged with hydrogen sulfide brines.

Due to the lack of faulting near the #1-36 well it is likely that injection of a small volume of fluid under little or no surface pressure would not be transmitted very far from the well bore. It is also expected that due to the inability of the formation near 4600' depth to hold a hydrostatic head that fluid entry would be at or near this depth. Since the water which now exists in this interval is saline, the addition of a small volume of drilling fluid (primarily salt water) at low pressure would have no adverse affects on the ground water system or other resources in the area.

CONDITIONS OF APPROVAL:

1. Surface injection pressure shall not exceed 100 psig during injection operations.

2. A tracer or other log shall be run to verify that the interval at which the fluid leaves the well bore is not above approximately 2800'. If a temperature log is used the injection fluid shall be cooled or heated to the point which allows adequate temperature differential between it and the formation to show departure. During the disposal operations if logging shows the fluid is not going below 2800' for any reason, injection operations shall cease immediately and an alternative disposal method used.

3. This is a one time approval for disposal of not more that 8000 barrels of fluid.

CANE CREEK #1-36
SECTION 36, T27S, R20E
SAN JUAN COUNTY, UTAH

PROPOSED ANNULAR DISPOSAL of DRILLING FLUIDS

Additional Information for Sundry:

1. Logs run over proposed interval:

Dual Induction Guard Log	: 4638' to 700'
Long Spaced Sonic	: 7300' to 3386'
Full Wave Sonic	: 7300' to 4279'

   No log or other relative information is available for identifying the cement top outside the 9-5/8" casing.

2. See attached wellbore schematic.

3. Preliminary Analysis of Drilling fluid is:

Density	:	8.6 ppg
Funnel Viscosity	:	27
Solids Content	:	<5% by retort
Chlorides	:	36,000 mg/l
Calcium	:	7200 ppm
Water Content	:	99.5%
Oil Content	:	0.5%

   Additional testing if required can be performed.

4. Estimated Injection Pressures are not to exceed 100 psi.

5. Total Anticipated Volume to be injected down the 13-3/8"x 9-5/8" annulus is 8,000 bbls.

6. Estimated parting pressures for the proposed injection zone? The annulus is currently on a vacuum.

7. See the attached formation tops picked on this well. The 13-3/8" casing was cemented to surface and therefore the zones above 697' should be isolated. The formations from 697' to the Ismay (cycle 2) are not isolated at this time.

8. The anticipated formation for injection is the Ismay (cycle 2) at 4334'. The thickness is approximately 48'. Any formation between 697' to 4635' may be capable of excepting this fluid.

9. A temperature log would be run initially to obtain a base log. While injecting fluids, the temperature log will be run inside the casing to predict/verify the injection interval.

CANE CREEK #1-36
SECTION 36, T27S, R20E
SAN JUAN COUNTY, UTAH

GEOLOGICAL INFORMATION

Geological Information for proposed annular disposal of drilling fluid - Cane Creek State 1-36

Chinle 696-1104' (408') shale: medium brown to red brown
sandstone: off white to light green, very Fine to fine grained
siltstone: light gray to light green

Moenkopi 1104-1326' (222') siltstone: medium brown to red/orange
shale: medium to dark brown, very silty
sandstone: medium brown to orange-brown very fine grained

Cedar Mesa 1326-1604' (278') sandstone: orange to red brown, very fine to fine grained, unconsolidated in part
siltstone: medium to dark brown to orange brown

Cutler 1604-2886' (1282') sandstone: white, red, orange, unconsolidated in part, very fine to fine grained, calcareous cement
siltstone: red brown, orange, occassionally marly, calcareous cement
limestone: white, medium gray to gray, mottled, dense
shale: red brown, silty

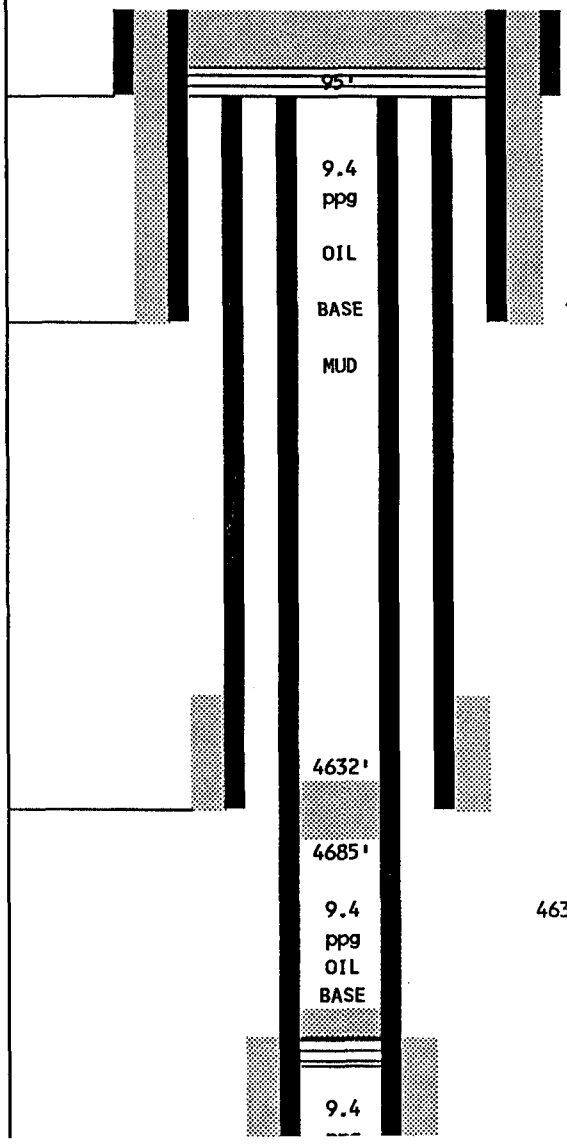
Honaker Trail 2886-4088' (1202') limestone: tan to brown, very fine to crypto-crystalline, dense
sandstone: white, cream, buff, very fine to fine grained, calcareous cement
shale: medium to dark gray, silty

Paradox Fm. 4088-4333' (245') limestone: white to dark brown, occassionally cherty, dense, very fine to micro-crystalline
sandstone: white to light brown, very fine grained, tight

Cycle 2 (Ismay) 4333-4523' (190') salt: white, clean
calcareous mudstone: gray brown to light gray, soft, slightly dolomitic
dolomite: tan to brown, very fine to micro-crystalline

Cycle 3 4523-4687' (164') sandstone: white to cream, very fine grained, medium to very calcareous
anhydrite: white translucent to opaque

CANE CREEK #1-36
PROPOSED PLUG & ABANDONMENT SCHEMATIC
ACTUAL CASING/CEMENTING SCEMATIC



PLUG #4
CEMENT TO SURFACE
20" ESZV @ 95'
115'

13-3/8 54.5 ppf K-55 STC
697'

T.O.C. ON 9-5/8" x 12/14" HOLE
UNKNOWN

9-5/8" 47 ppf N-80/SS-95
4635'

PLUG #3
4632'- 4685'

PLUG #2
T.O.C. 5300
ESZV 5400'

EST. T.O.C. ON 7" x 8-1/2" HOLE

REMARKS
20 CASING PRE-SET
HOLE SIZE 17-1/2" DRILLED WITH AIR CEMENTED TO SURFACE LEAD: 617cuft CLASS "H", 12.6 ppg 16% GEL,3% SALT TAIL: 265 cuft CLASS "H" 16.4 ppg 2% CACL
HOLE SIZE 12-1/4" DRILLED WITH AIR/AIR MIST CEMENTED W/ LEAD: 1881 cuft, CLASS "H" 9.5 ppg FOAM TAIL: 302 cuft, CLASS "H", 15.6 ppg 3% KCL no cement or fluid returns TOP JOB (615 cuft total) 225 cuft Class " H" in 3 stages 390 cuft Class "H" in 1 stage
HOLE SIZE 8-1/2" DRILLED WITH 14 PPG OIL BASE MUD CEMENTED W/ 668 cuft CLASS "H" PLUS ADDITIVES AT 16.4 PPG PROPOSED CEMENT TOP

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

09-08-91 MW: MD: 700' 20" @80' COST: $263,634
LAST SURVEY: .75 DEG @ 616
72 HR SUMMARY: FIN RU BLOOIE LINE. PU DC & MILL TOOTH BIT. BLOW WELL DRU W/ AIR. DR F/115-244. WK & CLN TGT HOLE. SURVEY. DR & SURVEY F/244-457. REPAIR BLOOIE LINE. DR, SURVEY & BLOW CLN F/457-700. TOOH. TIH BLOW CLN. TOOH. LD DC. RUN 13 3/8" CSG. SHOE @697. RIH W/INNER STR ADAPT ON 5" DP. TIE DN CSG & DP. LOAD ANN W/WTR. CMT CSG. FULL RETURNS. POOH W/DP. WOC. CUT OFF CSG & WELD ON SURF CSG HD. TST VOID. NU BOPE.

09-09-91 MW: 0.0 MD: 700' 13.375" @697' COST: $301,466
LAST SURVEY: .75 DEG @ 616
24 HR SUMMARY: NU BOPE & TST. PU BIT #2 & TIH. TST CSG, HELD OK. CHG OUT LOWER KELLY COCK.

09-10-91 MW: 0.0 MD: 1,176' 13.375" @697' COST: $326,094
LAST SURVEY: .25 DEG @ 980
24 HR SUMMARY: TOOH. BLOW HOLE CLN. D/O CMT, FLOAT CLR &FLOAT SHOE. DRLG, BLOWING HOLE CLN & SURVEYING F/ 700-1176'.

09-11-91 MW: 0.0 MD: 1,818' 13.375" @697' COST: $337,988
LAST SURVEY: 1.5 DEG @ 1750
24 HR SUMMARY: DRLG & SURVEY F/1176-1818. BLOW HOLE CLN.

09-12-91 MW: 0.0 MD: 2,209' 13.375" @697' COST: $350,904
LAST SURVEY: 2.25 DEG @ 2154
24 HR SUMMARY: DRLG, BLOW CLN & SURVEY F/1818-2109. BIT BOUNCE & TORQUE UP. BLOW CLN. POOH W/BIT. CHG BHA & TIH W/BIT #3. +/-5' FILL. DRLG F/2109-2209. BLOW CLN & SURVEY.

09-15-91 MW: 0.0 MD: 4,020' 13.375" @697' COST: $842,113
LAST SURVEY: .50 DEG @ 3658
72 HR SUMMARY: DRLG F/ 2209-2491.ADJ FOAM QUALITY TO RED. BIT BOUNCE. BLOW CLN. SURVEY. DRLG F/ 2491-4020. BLOW CLN & SURVEY. WTR INFLUX @ 3940. UNABLE TO INC WOB DUE TO BIT BOUNCE.

09-16-91 MW: 0.0 MD: 4,510' 13.375" @697' COST: $861,093
LAST SURVEY: 1.0 DEG @ 4411
24 HR SUMMARY: DRLG, BLOW CLN & SURVEY F/4020-4217. CK BOPE. DRLG, BLOW CLN & SURVEY F/4217-4510.

09-17-91 MW: 0.0 MD: 4,639' 13.375" @697' COST: $899,916
LAST SURVEY: 1.0 DEG @ 4411
24 HR SUMMARY: DRLG 4510-4639. 9 5/8" CSG PT. BLOW CLN. SHORT TRIP FOR CSG SHOE. BLOW CLN @4693. POOH. RUN DIL-GR-CAL F/4632-700. RU CSG CREW. RUN 9 5/8" CSG.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

09-18-91 MW: 0.0 MD: 4,639' 13.375" @697' COST: $1,046,942
LAST SURVEY: 1.0 DEG @ 4411
24 HR SUMMARY: FIN RUNNING 9 5/8" CSG. CMT CSG. 945 SX LEAD & 250 SX TAIL. DID NOT BMP PLG. ND BOPE. SET CSG SLIPS. CUT 9 5/8" CSG. NU CSG HD. START NU BOPE & RUNNING GYRO.

09-19-91 MW: 0.0 MD: 4,647' 9.875" @4635' COST: $1,082,482
LAST SURVEY: 1.0 DEG @ 4411
24 HR SUMMARY: FIN NU BOPE & RUN GYRO SURVEY. TST BOPE. INST WEAR RING. RU KELLY. RIH W/BHA #1. TAG CMT @4537. DR CMT & FLOAT COLLAR. FREE TO 4621. P-TST CSG. HELD. DR HARD CMT & FELL THRU TO SHOE. DR SHOE. DR 10' TO 4647. CIRC BTM UP. SPOT 25 BBL 50 VIS PILL ON BTM.

09-22-91 MW: 9.7 MD: 4,657' 9.875" @4635' COST: $1,237,512
LAST SURVEY: 1.0 DEG @ 4411
72 HR SUMMARY: SHOE TST-BRK DN. PRESS BLED TO 0. POOH. RUN 2 7/8" TBG. SQZ SHOE W/250 SX. SWI. TOOH. WOC. RIH TAG TOC @4572. WOC. DR CMT F/4572-75. CMT SOFT. WOC. D/O CMT TO 4657. CIRC CLN. SHOE INTEGRITY TST-BRK DN @1710. TOOH. TIH TO SQZ SHOE W/250 SX CMT. PRESS UP. SWI. WOC. REL PRESS. POOH. RIH W/BIT. TAG TOC @4091. DR CMT F/4091-4487. CMT HARD. CIRC CLN. POOH.

09-23-91 MW: 9.0 MD: 4,919' 9.875" @4635' COST: $1,259,826
LAST SURVEY: 1.0 DEG @ 4411
24 HR SUMMARY: DISP WTR W/ INVERT MUD SYS. DRILL CMT AND 11' OF NEW FORMAT F/ 4487-4668. CIRC & COND MUD. PERFORM 9 5/8" SHOE TST. TSTED TO A 16.6 PPG EQUIV. TRIP OUT OF HOLE. DRLG F/ 4668-4919.

09-24-91 MW: 9.1 MD: 5,590' 9.625" @4635' COST: $1,291,458
LAST SURVEY: 3.0 DEG @ 5383
24 HR SUMMARY: DRLG & SURVEYING F/ 4919-5590.

09-25-91 MW: 10.3 MD: 6,239' 9.625" @4635' COST: $1,329,032
LAST SURVEY: 1.5 DEG @ 5807
24 HR SUMMARY: DRLG F/5590-5862. ALIGN STACK FOR ROT HD. SERV RIG. WK BOPE. SURVEY. DRLG 5862-6239.

09-26-91 MW: 13.1 MD: 6,391' 9.625" @4635' COST: $1,348,858
LAST SURVEY: 1.25 DEG @ 6311
24 HR SUMMARY: DRLG, CIRC & SURVEY F/6239-6391. SD PMP CK FOR FLOW. SMALL FLOW. SWI PRESS INC IN 30 MIN. STABILIZED. CIRC OUT WTR THRU CK. WELL FLOWING. INC MW TO 13.3.

09-29-91 MW: 13.5 MD: 7,018' 9.625" @4635' COST: $1,430,360
LAST SURVEY: 3.25 DEG @ 6970
72 HR SUMMARY: INC MUD WT TO 13.3 PPG. NO MORE INFLUX. DRLG F/ 6391-6713. C/O ROT HD. POOH FOR SHORT TRIP. TGT SPOT @ 6624. CIRC & COND HOLE @ 6681. CONT SHORT TRIP TO CSG SHOE @ 4635. WSH & RM 6650-6713. TIGHT SPOT @ 6686. WRK CLN. CONT TO BTM. DRLG F/ 6713-6775. SWI DUE TO WTR INFLUX. COND MUD. DRLG & SURVEYING F/ 6775-7018. POOH. TST BOPE. TIH W/ CORING ASSEMBLY.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

09-30-91 MW: 13.4 MD: 7,018' 9.625" @4635' COST: $1,466,894
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: TIH TO CORE. WELL STARTED FLOWING. CIRC WELL DEAD. CONT TIH. TIGHT SPOTS @ 6650-6839. WSH & RM TO BTM. MUD CLABBERING UP CAUSING PLUG UP PULL UP INTO CSG. SWAP OUT & CONDITION OIL MUD WHILE CLEANING SURFACEEQUIP

10-01-91 MW: MD: 7,018' 9.625" @4635' COST: $1,485,206
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: CONT TO CLN SURF EQUIP. MIX & PMP A 20 BBL PILL. POOH W/ CORE BBL ASSY. TIH W/ RE-RUN BIT #4.

10-02-91 MW: MD: 7,018' 9.625" @4635' COST: $1,555,119
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: CONT TIH TO CSG SHOE. WELL STABLE. CONT TO BLD INVERT SYS. CONT TO INCREASE MW IN ACTIVE SYSTEM.

10-03-91 MW: 14.0 MD: 7,018' 9.625" @4635' COST: $1,630,024
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: CONT BUILD INVERT SYST & WT TO 14. BUILD HIGH VIS PILL. SLOW DUE TO BARITE DELIVERY SYSTEM. MODIFIED SYSTEM. FILL DP W/MUD & PILL. CIRC. ROT & RECIP. STARTED TO LOSE RETURNS. AFTER 280 BBLS, LOST ALL RETURNS. SD PMP. LOST 15-20 BBLS. START POOH. SLOW PULLING DUE TO WET TRIP.

10-06-91 MW: 14.1 MD: 7,106' 9.625" @4635' COST: $1,738,706
LAST SURVEY: 3.25 DEG @ 6970
72 HR SUMMARY: FIN POOH. BIT @2595. CIRC 14 PPG MUD. REC THICK MUD. MUD THINNING. 100% RETURNS. RIH W/DP TO 3527. CIRC MUD UNTIL 14 PPG IN & OUT. RIH TO 4542. CIRC MUD. WT UP 115 BBLS F/PREMIX TANK. RIH TO 4834. CIRC. RIH & CIRC TO 6952. W & R TO BTM 7018. CIR & COND MUD. MUD CLN UP OVER SHAKERS. PMP 15.2 PILL. TOOH TO SHOE. XFER 125 BBLS MUD F/TANK. WT UP TO 14 & CIRC. C & C MUD UNTIL 14 PPG THRUOUT. POOH. WHEN BIT @+/-5000' TOOK 70BBLS TO KEEP HOLE FULL. CONT OUT W/ NO PROBLEMS. PU CORE BBL, & ORIENTATION TOOL. TIH TO SHOE. XFER 125BBLS MUD F/TANK. WT UP TO 14. FIN TIH TO 7018, W & R 42' TO BTM. CORE CANE CK F/7018-49. LOST 20BBLS MUD DURING CORE. ORIENT CORE. CIRC SAMPLES. NO FLOW. PMP WT PILL. TOOH W/CORE. RECOV 31' CORE. PU CORE BARREL EXTENSION & 60' OF CORE BARREL. INST ORIENT TOOL. SERV RIG TST BOPE. RIH W/ CORE BBL TO 7049. WASH 50'. XFER 150BBLS MUD F/TANK. CHG SHAKERS SCREENS TO 140 MESH. CORE #2 CANE CK F/7049-7106.

10-07-91 MW: 14.0 MD: 7,164' 9.625" @4635' COST: $1,813,520
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: FIN CORING F/7049-7110. ORIENT CORES W/SCIENTIFIC DRLG. CIRC UP SAMPLES. PMP PILL. TOOH. LD CORE. FULL RECOV EXCEPT OF CORE EXCEPT LAST 2' SALT. LD JARS. PU SMITH F-3 BIT. TIH TO 9 5/8" SHOE. CUT DRLG LINE. RIG REPAIR. ELECTRICAL PROBS. CIRC. FIN RIH W/BIT. W & R TO BTM. DRLG F/7110-7164. DRLG SALT.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

10-08-91 MW: 14.1 MD: 7,230' 9.625" @4635' COST: $1,870,404
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: DRLG F/7164-7216. CLASTICS & DOLOMITES DR 2-3'/HR. INC WOB & PMP RATE. COULD NOT DRILL FASTER. MUD BECOMING THICK & LOSING BARITE CARRYING CAPACITY. CIRC MUD. MUD INDIC WTR WET SOLIDS. ADD VERSAWET, VERSACOAT & FRESH WTR. VISC & ELEC STABILITY STABILIZED. RESUME DRLG F/7216-30. NO FLOURESENCE OR CUTS.

10-09-91 MW: 14.1 MD: 7,271' 9.625" @4635' COST: $1,908,533
LAST SURVEY: 3.25 DEG @ 6970
24 HR SUMMARY: DRLG 7230-51. PMP PILL. TOOH DUE TO SLOW PENETRATION RATE. WELL STABLE THRU TRIP. PU PDC BIT, TIH TO 4600. REPAIR SCR HOUSE. FIN IN HOLE. DRLG F/7251-71. CIRC SAMPLE. RESUME DRLG (PINKERTON TRAIL FM) 7271-91.

10-10-91 MW: 14.2 MD: 7,300' 9.625" @4635' COST: $1,934,639
LAST SURVEY: 2.86 DEG @ 7287
24 HR SUMMARY: DRLG 7291-7300. CBU WHILE ROT & MOVE PIPE. SHORT TRIP. CBU. DROP MULTI-SHOT & PMP PILL. POOH FOR LOGS. BTR READING F/MULTI-SHOT 2.86 DEG @7287. WO HLS. RU HLS. RIH W/DIL/SON/CAL. TD & IES=7300. LOG. 4 ARM CAL MALFUNCT. POOH. WK ON 4 ARM CAL.

10-13-91 MW: 14.0 MD: 7,300' 9.625" @4635' COST: $2,051,181
72 HR SUMMARY: FIX CAL. RIH W/DNL/GR/CAL TO 7300. LOG 7300-4626. POOH. RIH W/GEOPHONE TO 7300. RUN CK SHOT SURVEY. RIH W/DIPMETR TO 7300. LOG 7300-4626. RIH TO 7300 W/DNL/GR. LOG F/7300-4626. RD HLS. RIH W/2 7/8" TBG. CIRC CONT TIH TO 7300. CIRC & COND. PMP SPACR & 72 BBL CMT. DISPL BAL PLG W/INV MUD. POOH. CIRC. POOH. P-TST BOPE. PERF FM INTEG TST. PU DP & RR BIT #10. TIH TO CSG SHOE @4600. REPL BRK PADS. C & C MUD. TIH TAG CMT SCABS @6070. WASH TO 6350. WASH GRN CMT F/6350-6535. CBU. WASH CMT 6535-6625. CIR. POOH.

10-14-91 MW: 14.1 MD: 7,300' 9.625" @4635' COST: $2,089,764
24 HR SUMMARY: TIH W/2 7/8" TBG TO 6625. CIRC. MIX & PMP 200 SX CMT & DISPL W/100 BBL INVERT MUD. POOH ABOVE SHOE @4535. CIRC. WOC. TAG TOC @6300. CMT NOT FULLY SET. MIX PILL TO POOH.

10-15-91 MW: 14.2 MD: 7,300' 9.625" @4635' COST: $2,108,120
24 HR SUMMARY: POOH W/TBG. RIH W/BIT #RR4 TO CSG SHOE. BRK CIRC. CONT TIH, W & R F/6229-6460. TAG TOC @6310. CIRC CLN @6460. DRLG CMT F/6460-6519. CIRC CLN. PMP PILL & POOH W/BIT. LD BIT, PU BUILDING ASSY.

10-16-91 MW: 14.2 MD: 6,560' 9.625" @4635' COST: $2,131,745
LAST SURVEY: 1.6 DEG @ 6498
24 HR SUMMARY: PU BIT #8 W/BUILDING ASSY. TIH TO 6529. ORIENT TOOL FACE. PROB W/MWD RESPONSE @SURF. SWITCH PMPS. MWD OK. CONTROL DRLG F/6529-6543. SERV RIG. FUNC TST RAMS. CONTROL DRLG F/6543-6560. SALT IN SAMPLES.

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WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

10-17-91 MW: 14.0 MD: 6,724' 9.625" @4635' COST: $2,167,304
LAST SURVEY: 16.3 DEG @ 6655
24 HR SUMMARY: DRLG F/6560-6670. BUILDING ANGLE. SURVEY. SERV RIG. WK BOPE. DRLG F/6670-6724. BUILD ANGLE. SURVEY.

10-20-91 MW: 14.2 MD: 7,055' 9.625" @4635' COST: $2,254,943
LAST SURVEY: 47.1 DEG @ 6988 S 44 W
72 HR SUMMARY: PMP PILL. POOH FOR BIT. WK BLIND RAMS. RIH W/NEW BIT W/BUILD ASSY. DRLG F/6724-37 (ANHYDRITE). DRLG 6737-6832 (SALTS). BUILD ANGLE & SURVEY. CIR CLN. PMP PILL. POOH. DNLOAD MWD MEMORY EQ. LD MUD MTR. PU .75 DEG MUD MTR & STEERABLE SYST FOR TANG SECT. TIH. DRLG 6832-6949 & SURVEY. TOOH TO CHG MTR ASSY TO BUILD. DNLOAD MWD MEM TO COMPUTER. TIH W/BUILD ASSY ON HEAVY WT DP TO SHOE. CUT DRLGLINE. CONT IN HOLE. TOOH PARTIALLY TO RET DP SCREEN. FIN IH. LOST 45 BBLS MUD ON TRIP. ORIENT TOOL. DR 6949-7055.

10-21-91 MW: 14.1 MD: 7,162' 9.625" @4635' COST: $2,288,803
LAST SURVEY: 65.10 DEG @ 7115 S 43.7 W
24 HR SUMMARY: DRLG F/7055-7131. TOP CANE CRK A @ 6990 TVD, 7105 MD. WK BOPE. DRLG 7131-62. @7162 INCL 71.9 DEG, AZ 225, 7012 TVD.

10-22-91 MW: 14.0 MD: 7,242' 9.625" @4635' COST: $2,326,542
LAST SURVEY: 74.20 DEG @ 7179 S 44.4 W
24 HR SUMMARY: DRLG AHEAD IN CANE CREEK "A" AT 3.33 FPH AT 7242'.

10-23-91 MW: 14.1 MD: 7,297' 9.625" @4635' COST: $2,357,795
LAST SURVEY: 83.40 DEG @ 7241 S 44.0 W
24 HR SUMMARY: DRLG AHEAD IN CANE CREEK "B" TO 7,297' MD. NO SIGNIFICANT GAS SHOWS.

10-24-91 MW: 14.2 MD: 7,350' 9.625" @4635' COST: $2,375,384
LAST SURVEY: 89.80 DEG @ 7304 S 45.4 W
24 HR SUMMARY: DRLG F/7297-7350. CIRC & SURVEY. SHORT TRIP. CCM FOR CSG. POOH. WO LD CREW. LD DP, DNLD MWD DATA.

10-27-91 MW: 12.3 MD: 7,356' 7.0" @7350' COST: $2,651,073
72 HR SUMMARY: RU CSRS. TIH W/7" CSG TO 7350. NO TGT SPOTS ON HOLE PROBS. CCM FOR CMT JOB. CIRC. HOLE TAKING FLUID. SLOW PMPS, HOLE STABLE. PMP SPCER AND 630 SX CMT. DISPL. BMP PLG & PRESS UP TO 1800 PSI. OK. CONSTANT RETURNS THRUOUT. MAKE ROUGH CUT. CHG PIPE RANS TO 3.5". NU TBG HD & TST OK. NU BOPE & TST. INST DRAIN PAN. PU 4 3/4" DCS & 3.5" DP. TIH & TAG @7257. P-TST CSG TO 3500, OK. DR FC & CMT TO 7339. P-TST CSG, OK. DR CMT & FS F/7339-56. DR NEW FM F/7350-56. DECR MW TO INC GAS UNITS. WK PIPE.

10-28-91 MW: 10.6 MD: 7,356' 7.0" @7350' COST: $2,685,436
24 HR SUMMARY: DEC MW. WK PIPE & RE-ENTER HOLE TO CHK FOR FILL. POOH TO PU MUD MTR. PU SAME & MWD, TST & CALIB. POOH PU PDC BIT & TIH.

10-29-91 MW: 10.0 MD: 7,639' 7.0" @7350' COST: $2,719,127
LAST SURVEY: 94.5 DEG @ 7591
24 HR SUMMARY: CONT TIH W/ MUD MOTOR. TAG BTM @ 7356. DRLG F/ 7356-7639.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

10-30-91 MW: 10.0 MD: 7,878' 7.0" @7350' COST: $2,748,576
LAST SURVEY: 94.5 DEG @ 7591
24 HR SUMMARY: DRLG F/7639-52. REPAIR GEOLOGRAF. DRLG F/7725-7816. CBU FOR SAMPLE & SURVEY. DRLG F/7816-78. CBU FOR SAMPL & SURVEY. POOH. PU DST.

10-31-91 MW: 10.0 MD: 7,878' 7.0" @7350' COST: $2,769,544
LAST SURVEY: 94.5 DEG @ 7591
24 HR SUMMARY: CONT RIH DST. RU FOR DST. SET PKR @7100. OPEN FOR DST. START FLOW ON 1/8" CHK. FLOW FOR 10 MINS. SLGT BLOW. SWI FOR 45MIN. OPEN & FLOW 60 MINS. LEFT WELL SI FOR 4 HRS. RD SURF EQ. FILL TRIP TANK & POOH. LD DST. RECOV 1200 OF DRLG. FINAL SI DP PRESS 1154. LOST 60 BBLS MUD TO FM ON TOOH. PU PDC BIT & START IN HOLE.

11-03-91 MW: 9.7 MD: 7,961' 7.0" @7350' COST: $2,880,049
LAST SURVEY: 94.2 DEG @ 7917 S 48.9 W
72 HR SUMMARY: TIH W/PDC BIT. WASH F/7376-7531 DUE TO DRAG. W & R THRU TGT SPOT @7727. WASH TO TD 7878. CBU. SHORT TRIP TO CSG SHOE & BACK TO TD. CBU. PMP PILL. TOOH. RIH W/6" DIAMOND CORE BIT. TGT SPOT @7440. TIH TO 7878. BRK CIRC. CBU. WK PIPE TO UNPLG CORE BBL. NO SUCCESS. TOOH W/CORE BBL. INSPECT BBL, NO PLG, TEMP EXPANSION. RESPACE & ORIENT. TIH SLOWLY. CORE UPPER CANE CK "B" F/7878-7910. GAS INC WHILE CORING. CBU. TOOH. FULL RECOV. RIH W/ SPIRAL HWDP. RIH W/BIT & MUD MTR. TIH TO SHOE. W & R TO TD. DRLG F/7910-61. SURVEY EVERY 30'.

11-04-91 MW: 9.5 MD: 8,316' 7.0" @7350' COST: $2,907,623
LAST SURVEY: 94.2 DEG @ 7917 S 48.9 W
24 HR SUMMARY: DRLG & SLIDING F/7961-8141. CBU. NO DRAG OR HOLE PROBS. SD DUE TO MWD READINGS, NOT FLAGGING CORRECTLY. DRLG & SLIDING F/8141-8316.

11-05-91 MW: 9.4 MD: 8,600' 7.0" @7350' COST: $2,939,636
LAST SURVEY: 89.9 DEG @ 8454 S 48.8 W
24 HR SUMMARY: DRLG F/8316-28. ROT WHILE DR. CIR SAMPLES, ANHYDRITE IN SAMP LES. ORIENT TOOL FACE TO BUILD ANGLE. DR F/8328-35. SLIDE. ORIENT TOOL TO MAINTAIN MAX BUILD ANGLE. DR F/8335-60. CBU. DR 8360-8549. BUILD ANGLE TO 91.2 DEG. SURVEY, CBU. SHORT TRIP. DR & ROT F/8549-8600.

11-06-91 MW: 9.4 MD: 9,048' 7.0" @7350' COST: $2,977,889
LAST SURVEY: 91.5 DEG @ 9073 S 51.8 W
24 HR SUMMARY: DRLG F/8600-44. CIRC SAMPLES, STILL IN UPPER CANE CK B. DRLG 8644-8829. CBU. SHORT TRIP. DRLG 8829-9048. BUILD ANGLE TO GET OUT OF ANHYDRITE.

11-07-91 MW: 9.3 MD: 9,267' 7.0" @7350' COST: $3,000,976
LAST SURVEY: 89.1 DEG @ 9230 S 52.2 W
24 HR SUMMARY: DRLG F/9048-79. CBU & SURV. SHORT TRIP, HOLE IN GOOD COND. ORIENT TOOLFACE. DRLG & SURVEY F/9079-267. GAS INC TO 730 UNITS F/9253-56. CBU FOR SHORT TRIP. CBU TOOH FOR LOGS. RU LOGGERS.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: GRACE 273 CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

11-10-91 MW: 10.1 MD: 9,267' 7.0" @7350' COST: $3,093,008
LAST SURVEY: 89.1 DEG @ 9230 S 52.2 W
72 HR SUMMARY: RIH W/LOG TOOL TO 6592. RUN & SEAT SIDE ENTRY SUB IN LOG TOOL. TIH TO CSG SHOE @7350. LOG TO 9240. RUN REPEAT F/9240-8961. TOOH. RIH W/DNL- FACT-GR. SEAT SIDE ENTRY SUB. TIH TO SHOE. LOG F/7350-9231. LOG UP F/9231-7350. TOOH. RIH W/CBL TO 7100. LOG F/7100-4700. TOC @5350. POOH W/CBL. TIH W/PKR. WO COIL TBG. RU COIL TBG UNIT. TST LINES. TIH W/COIL TBG INJ N2. BLOW DRY @7350. WO FL ENTRY. WELL DRY. POOH. RU WL. TIH W/GUAGERNG TO 6741. WO FL ENTRY. HOLE. DRY. POOH. RIH W/PRESS BOMB TO 6680. HUNG UP ABOVE N NIPPLE. ATTPT TO WK PAST, NO SUCCESS. NO FL PRESENT. POOH.

11-11-91 MW: 10.0 MD: 9,267' 7.0" @7350' COST: $3,074,772
LAST SURVEY: 89.1 DEG @ 9230 S 52.2 W
24 HR SUMMARY: RIH W/1.8" GUAGE RING. TAG @6680, UNABLE TO WK THRU. POOH. RIH W/PRESS GUAGE, SOFT SET @6660 WL. WO PRESS BUILDUP. POOH. REL PKR & POOH. REL PKR & POOH. WO 7" CICR.

11-12-91 MW: 9.9 MD: 9,267' 7.0" @7350' COST: $3,096,363
LAST SURVEY: 89.1 DEG @ 9230 S 52.2 W
24 HR SUMMARY: WO CICR. TIH W/7" CICR TO 7222. WO CMT SERVICES. SET CICR @ 7222. EST IR. PMP 400 SX NEAT CMT, SQZ 380 SX BELOW CICR. SPOT 18SX ON TOP. POOH. P-TST CSG, OK. TST BOPE. TIH TO 5372. SET EZSV & TST. SPOT 18 SX CMT ON TOP OF EZSV. POOH. SPOT BAL PLG F/4683-4333.

11-13-91 MW: 9.9 MD: 9,267' 7.0" @7350' COST: $3,052,517
24 HR SUMMARY: RD. RU LD MACHINE. LD DP. ND BOPE.

11-14-91 MW: MD: 9,267' 7.0" @7350' COST: $3,063,688
24 HR SUMMARY: ND BOPE. INST BLANK COVER ON WH. CLN MUD TANKS. REL RIG.

AREA: PARADOX BASIN DIVISION: DENVER
WELL: CANE CREEK #1-36 OP/NONOP: CHEVRON OPERATED
RIG: POOL CATEGORY: EXPLORATORY RIG TYPE: LA
API: 43-037-31631 UNIQUE CODE: HDE1FF01

12-02-91 MW: MD: 9,267' 7.0" @7350' COST: $3,094,583
72 HR SUMMARY: MIRU PROD LOG SERV, RUN TEMP LOG TO 4315. ATTPT TO INJ WASTE WTR DN 13 3/8" & 9 5/8" ANN, NO SUCCESS. RDMO. MIRU POOL WS. RIH W/MECH CSG CUTTER. CUT 7" CSG @88' GL. POOH. LD 7" CSG. RD WH. RIH W/9 5/8" CSG CUTTER. COULD NOT GET PAST 75' GL. CUT CSG @68'. POOH. SWIFN.

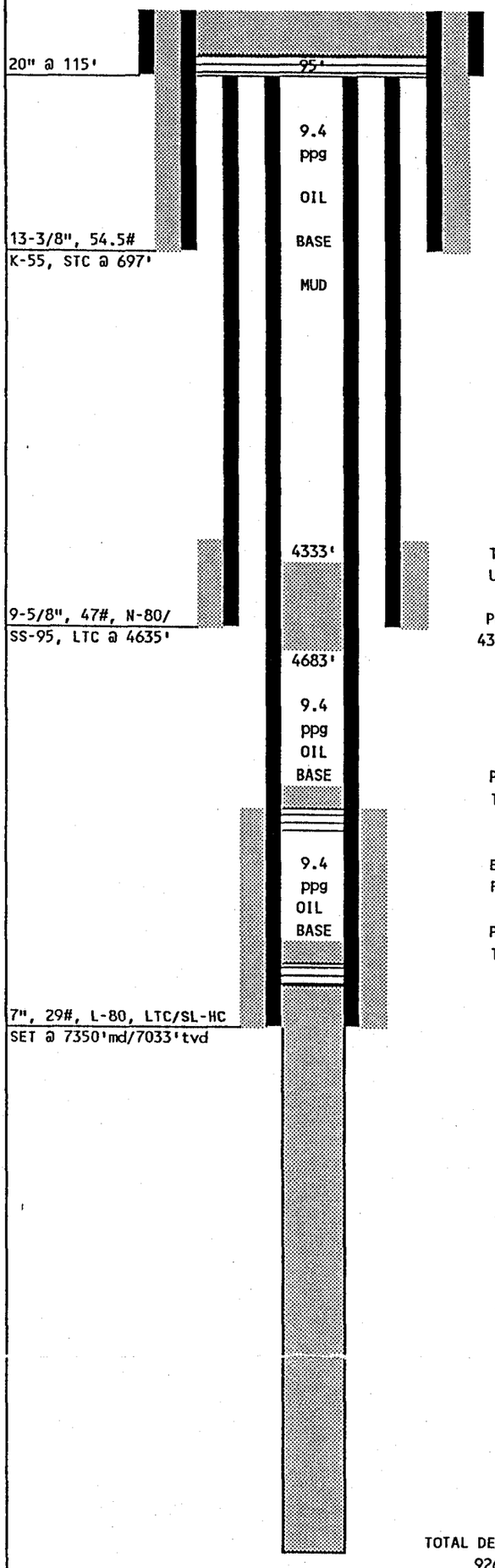
12-03-91 MW: MD: 9,267' 7.0" @7350' COST: $3,145,357
24 HR SUMMARY: LD TOOLS. SPEAR 9 5/8" CSG. LD 9 5/8" CSG. SET 13 3/8" CMT RET @67' GL. CIRC 65 SX CL H CMT TO SURF. CLN CELLAR. CUT OFF WH & BASE PLT RD POOL WSU. WELD P & A PLATE ON WELL.

CANE CREEK #1-36

KB: 5883.6'
GL: 5848'

WELL SCHEMATIC

LOCATION: SEC: 36,T27S,R20E
SAN JUAN CTY, UTAH



REMARKS
20 CASING PRE-SET
HOLE SIZE 17-1/2" DRILLED WITH AIR CEMENTED TO SURFACE LEAD: 617cuft CLASS "H", 12.6 ppg 16% GEL,3% SALT TAIL: 265 cuft CLASS "H" 16.4 ppg 2% CACL
HOLE SIZE 12-1/4" DRILLED WITH AIR/AIR MIST CEMENTED W/ LEAD: 1881 cuft, CLASS "H" 9.5 ppg FOAM TAIL: 302 cuft, CLASS "H", 15.6 ppg 3% KCL no cement or fluid returns TOP JOB (615 cuft total) 225 cuft Class " H" in 3 stages 390 cuft Class "H" in 1 stage
HOLE SIZE 8-1/2" DRILLED WITH 14 PPG OIL BASE MUD CEMENTED W/ 668 cuft CLASS "H" PLUS ADDITIVES AT 16.4 PPG PROPOSED CEMENT TOP AT 3635', ACTUAL FOUND AT 5350' FROM CBL LOG HAD CONSTANT RETURNS DURING CEMENT JOB, LOST 130 BBLS OF MUD TO FORM.
HOLE SIZE 6" DRILLED WITH 9.4 PPG OIL BASE MUD

PREPARED: JRS
WELL TYPE: EXPLORATORY
FILE: P&A_CC
DATE: 11/14/91

Form OGC-1b

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN TRIPLICATE
(Other instructions on reverse side)

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir. Use "APPLICATION FOR PERMIT—" for such proposals.)

6. IF INDIAN, ALLOTTEE OR TRIBE NAME:

RECEIVED
NOV 25 1991
DIVISION OF OIL GAS & MINING

1. OIL WELL ☐ GAS WELL ☒ OTHER

7. UNIT AGREEMENT NAME:

2. NAME OF OPERATOR: Chevron U.S.A. Inc.

8. FARM OR LEASE NAME:

3. ADDRESS OF OPERATOR: P.O. Box 599, Denver, CO 80201

9. WELL NO.: Cane Creek St. 1-36

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements. See also space 17 below.) At surface: 2442' FEL, 1728' FSL

10. FIELD AND POOL, OR WILDCAT: Wildcat

11. SEC., T., R., M., OR BLK. AND SURVEY OR AREA: Sec. 36, T27S, R20E

14. PERMIT NO.: 43-037-31631

15. ELEVATIONS (Show whether DF, RT, GR, etc.)

12. COUNTY OR PARISH: San Juan

13. STATE: UT

16. **Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data**

NOTICE OF INTENTION TO:				SUBSEQUENT REPORT OF:			
TEST WATER SHUT-OFF	☐	PULL OR ALTER CASING	☐	WATER SHUT-OFF	☐	REPAIRING WELL	☐
FRACTURE TREAT	☐	MULTIPLE COMPLETE	☐	FRACTURE TREATMENT	☐	ALTERING CASING	☐
SHOOT OR ACIDIZE	☐	ABANDON*	☒	SHOOTING OR ACIDIZING	☐	ABANDONMENT*	☐
REPAIR WELL	☐	CHANGE PLANS	☐	(Other)			
(Other)			☐	(NOTE: Report results of multiple completion on Well Completion or Recompletion Report and Log form.)			

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

CURRENT HOLE CONDITIONS: TOTAL DEPTH: 9267' MD/6983' TVD
CASING : 20" 94 PPF at 115'
13-3/8", 54.5 PPF, K-55, ST&C at 697'
9-5/8", 47 PPF, N-80/SS-95, LT&C at 4635'
7", 29 PPF, N-80, set at 7350' MD/7033' TVD
MUD WEIGHT: 9.4 PPG HOLE SIZE: 6 inch

SUMMARY: Plug and abandon the Cane Creek #1-36 well per the following procedure.

OPERATIONS: The following P&A procedure was discussed and approved by Mr. F. Mathews, State of Utah, D.O.G.M. on November 11, 1991.

1. After completing the testing of the well, proceed with the following:
2. M/U Halliburton 7", 29 PPF ESZV cement retainer and RIH on 3-1/2" drill pipe. Set EZSV at ±7250' MD.
3. R/U to cement, establish an injection rate into the Cane Creek. Plans are to mix and pump enough cement to theoretically fill the 6" open hole, 7" casing and place 50-100' of cement on top of retainer. Put cement in place by either 1) squeezing to a max. 1 psi/ft gradient or 2) stopping when the estimated cement volume is pumped away, dump remaining cement on top of retainer if volume is not too excessive, otherwise reverse out unnecessary cement. Test casing to 1000 psi.
4. POOH, M/U 7" 29 PPF EZSV and RIH, set at 5400' MD, test ESZV by applying 10,000 lbs down. Set a balanced cement plug from top of retainer at 5400' to 5300' MD (±50' above & below estimated top of cement as picked by the CBL Log). NOTE: 1) The reasoning behind setting the EZSV @ 5400' is to minimize wait on cement time.

(Continued on attached sheet.)

18. I hereby certify that the foregoing is true and correct

SIGNED J L Watson TITLE Permit Specialist DATE 11/19/91

(This space for Federal or State office use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

*See Instructions on Reverse Side

STATE OF UTAH
FORM OGC-1b
SUNDRY NOTICES AND REPORTS ON WELLS

Chevron U.S.A. Inc.
Cane Creek St. 1-36

OPERATIONS (Cont.) The State of Utah requires that this plug be tested by applying drillstring weight. If the cost of the retainer, round trip of the drillstring can be performed in a timely manner compared to setting a plug and W.O.C. then this is the preferred option.

5. POOH to 4685', set a balanced cement plug from 4685' to 4332' (±50' below 9-5/8" casing shoe to 50' above top salt picked from open hole logs at 4382').

6. POOH laying down drillstring.

7. M/U casing cutter, RIH to 100', displace oil mud with water, cut 7" and 9-5/8" casing ±100'. If practical, nipple down BOPE at this time. Recover casing and wellhead.

8. M/U 13-3/8" ESZV and set above the casing stubs. Mix and pump enough cement to fill from EZSV to surface, POOH.

9. M/U 13-3/8" casing cutter and cut 10' below cellar level or an equivalent depth to recover wellheads.

10. Weld on abandonment cap and post. Ensure well information is placed on pole.

Form OGC-3

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS, AND MINING

SUBMIT IN DUPLICATE* (See other instructions on reverse side)

CONFIDENTIAL

56 64 01

WELL COMPLETION OR RECOMPLETION REPORT AND LOG*

1a. TYPE OF WELL: OIL WELL [XX] GAS WELL [ ] DRY [ ] Other

b. TYPE OF COMPLETION: NEW WELL [XX] WORK OVER [ ] DEEP-EN [ ] PLUG BACK [ ] DIFF. RESVR. [ ] Other

2. NAME OF OPERATOR: Chevron U.S.A. Inc

3. ADDRESS OF OPERATOR: P.O. Box 599, Denver, Colorado 80201

RECEIVED JAN 13 1992 DIVISION OF OIL GAS & MINING

4. LOCATION OF WELL (*Report location clearly and in accordance with any State requirements*)
At surface: 2442' FEL, 1728' FSL
At top prod. interval reported below: 1608 FSL 2587 FEL
At total depth: 554 FSL 1043 FWL

5. LEASE DESIGNATION AND SERIAL NO.: ML-43691
6. IF INDIAN, ALLOTTEE OR TRIBE NAME:
7. UNIT AGREEMENT NAME:
8. FARM OR LEASE NAME:
9. WELL NO.: Cane Creek St. 1-36
10. FIELD AND POOL, OR WILDCAT: Wildcat
11. SEC., T., R., M., OR BLOCK AND SURVEY OR AREA: Sec. 36, T27S,R20E

14. PERMIT NO.	DATE ISSUED	12. COUNTY OR PARISH	13. STATE
43-037-31631	7-11-91	San Juan	Utah

15. DATE SPUDDED	16. DATE T.D. REACHED	17. DATE COMPL. (*Ready to prod.*)	18. ELEVATIONS (DF, RKB, RT, GR, ETC.)*	19. ELEV. CASINGHEAD
9-6-91	11-7-91	12-3-91 P&A per Chevron Drl Summary	DF 5882 KB 5883 GL 5848	P&A (removed)

20. TOTAL DEPTH, MD & TVD	21. PLUG, BACK T.D., MD & TVD	22. IF MULTIPLE COMPL., HOW MANY*	23. INTERVALS DRILLED BY	ROTARY TOOLS	CABLE TOOLS
9267 MD 6983 TVD	Surface P&A	-----	→	0-9267'	

24. PRODUCING INTERVAL(S), OF THIS COMPLETION—TOP, BOTTOM, NAME (MD AND TVD)*

25. WAS DIRECTIONAL SURVEY MADE: Yes

26. TYPE ELECTRIC AND OTHER LOGS RUN: DIL - GR, LSS, FWS, DIP, CAST, SDLT-C/DSN, Checkshot

27. WAS WELL CORED: Yes

28. CASING RECORD (*Report all strings set in well*)

CASING SIZE	WEIGHT, LB./FT.	DEPTH SET (MD)	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
20"		115	26		----
13 3/8"	54.5#	697	17 1/2	265 SX	None
9 5/8"	47#	4635	12 1/4	1265 SX	68'
7"	29#	7350	8 1/2	630 SX	88'

29. LINER RECORD

SIZE	TOP (MD)	BOTTOM (MD)	SACKS CEMENT*	SCREEN (MD)

30. TUBING RECORD

SIZE	DEPTH SET (MD)	PACKER SET (MD)

RECEIVED JAN 13 1992 DIVISION OF OIL GAS & MINING

31. PERFORATION RECORD (*Interval, size and number*)

32. ACID, SHOT, FRACTURE, CEMENT SQUEEZE, ETC.

DEPTH INTERVAL (MD)	AMOUNT AND KIND OF MATERIAL USED
4647	250 SX Cmt (H)
4655	250 SX Cmt (H)

33.* PRODUCTION

DATE FIRST PRODUCTION	PRODUCTION METHOD (*Flowing, gas lift, pumping—size and type of pump*)	WELL STATUS (*Producing or shut-in*)

DATE OF TEST	HOURS TESTED	CHOKE SIZE	PROD'N. FOR TEST PERIOD →	OIL—BBL.	GAS—MCF.	WATER—BBL.	GAS-OIL RATIO

FLOW. TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE →	OIL—BBL.	GAS—MCF.	WATER—BBL.	OIL GRAVITY-API (CORR.)

34. DISPOSITION OF GAS (*Sold, used for fuel, vented, etc.*)

TEST WITNESSED BY

35. LIST OF ATTACHMENTS: Drilling & Completion Summary

36. I hereby certify that the foregoing and attached information is complete and correct as determined from all available records

SIGNED J L Watson TITLE Permit Specialist DATE ~~12-19-91~~ 1/8/92

*(See Instructions and Spaces for Additional Data on Reverse Side)

INSTRUCTIONS

General: This form is designed for submitting a complete and correct well completion report and log on all types of lands and leases to either a Federal agency or a State agency, or both, pursuant to applicable Federal and/or State laws and regulations. Any necessary special instructions concerning the use of this form and the number of copies to be submitted, particularly with regard to local, area, or regional procedures and practices, either are shown below or will be issued by, or may be obtained from, the local Federal and/or State office. See instructions on items 22 and 24, and 33, below regarding separate reports for separate completions.
If not filed prior to the time this summary record is submitted, copies of all currently available logs (drillers, geologists, sample and core analysis, all types electric, etc.), formation and pressure tests, and directional surveys, should be attached hereto, to the extent required by applicable Federal and/or State laws and regulations. All attachments should be listed on this form, see item 35.
Item 4: If there are no applicable State requirements, locations on Federal or Indian land should be described in accordance with Federal requirements. Consult local State or Federal office for specific instructions.
Item 18: Indicate which elevation is used as reference (where not otherwise shown) for depth measurements given in other spaces on this form and in any attachments.
Items 22 and 24: If this well is completed for separate production from more than one interval zone (multiple completion), so state in item 22, and in item 24 show the producing interval, or intervals, top(s), bottom(s) and name(s) (if any) for only the interval reported in item 33. Submit a separate report (page) on this form, adequately identified, for each additional interval to be separately produced, showing the additional data pertinent to such interval.
Item 29: *"Sacks Cement"*: Attached supplemental records for this well should show the details of any multiple stage cementing and the location of the cementing tool.
Item 33: Submit a separate completion report on this form for each interval to be separately produced. (See instruction for items 22 and 24 above.)

37. SUMMARY OF POROUS ZONES:
SHOW ALL IMPORTANT ZONES OF POROSITY AND CONTENTS THEREOF; CORED INTERVALS; AND ALL DRILL-STEM TESTS, INCLUDING DEPTH INTERVAL TESTED, CUSHION USED, TIME TOOL OPEN, FLOWING AND SHUT-IN PRESSURES, AND RECOVERIES

FORMATION	TOP	BOTTOM	DESCRIPTION, CONTENTS, ETC.
Vertical Cane CreekB	7018.0	7047.5	Siltstone, anhydrite, shale
Vertical Cane CreekB	7047.5	7107.8	Siltstone, anhydrite, shale
Horizontal Cane Creek B	7878.0	7910.8	Siltstone
Horizontal Cane Creek B	7350	7878	Open-hole DST initial pressure 3787 psi initial flow 10 min. initial shut-in pressure 1588 psi initial shut-in 45 min final flow pressure 606 psi final flow 61 min. final shut-in 4 hours final shut-in pressure 1141 psi Rec 1200' drilling mud
Horizontal Cane Creek B	7350	9267	Open-hole production test Blow nitrogen down coiled tubing to displace mud Blew well dry - 2 hours Shut-in 30 min. Blew well dry - 45 min. No fluid entry

38. GEOLOGIC MARKERS

NAME	TOP MEAS. DEPTH	TOP TRUE VERT. DEPTH
Chinle	696	+5188
Moekopi	1104	+4780
Cedar Mesa	1326	+4558
Honaker Trail	2886	+2998
Paradox	4088	+1796
Ismay	4333	+1551
Desert Creek	4687	+1197
AKAH	4909	+ 975
Barker Creek	5693	+ 191
Alkali Gulch	6500	- 616
Cane Creek B	7033	-1149
Base of Salt	7181	-1297
Pinkerton Trail	7264	-1380

Norman H. Bangerter
Governor
Dee C. Hansen
Executive Director
Dianne R. Nielson, Ph.D.
Division Director

State of Utah

DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

May 7, 1992

Ms. Mary Jo Kapphahen-Brough
Chevron, USA, Inc.
Post Office Box 599
Denver, Colorado 80201

Dear Ms. Kapphahen-Brough:

Re: Cane Creek State 1-36, API No. 43-037-31631, Sec. 36, T. 27S., R. 20E.

The Well Completion or Recompletion Report and Log submitted for the above referenced well indicates that a directional survey was made and the well was cored. We therefore request that you furnish copies of the directional survey and core analysis reports in order to comply with the Oil and Gas Conservation General rules. In the event that drill stem testing occurred on the well, those reports are also required.

If you have any questions regarding this request, please do not hesitate to contact me at the above address or phone number.

Sincerely,

Vicky Carney

Vicky Carney
Production Group Supervisor

cc: R. J. Firth
D. T. Staley
L. D. Clement
File

Chevron U.S.A. Inc.
6400 South Fiddler's Green Circle, Englewood, CO 80111, P.O. Box 599, Denver, CO 80201

June 9, 1992

Vicky Carney
Department of Natural Resources
Division of Oil, Gas and Mining
355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, UT 84180-1203

Dear Vicky,

Enclosed you will find the directional survey, core analysis, and drill stem test data you requested for the Chevron Cane Creek State 1-36, API No. 43-037-31631, sec. 36 T27S-R20E. I was asked to handle this for Mary Jo Kapphahen-Brough.

I hope this will fill the requirements for the Oil and Gas Conservation General rules. Please contact Mary Jo if you require additional information.

Sincerely,

Kathy Koskelin

Kathy M. Koskelin
Development Geology

cc: Mary Jo Kapphahen-Brough
Files

7-31-92 recd:

RECORD OF SURVEY
FULL DIAMETER DEAN - STARK ANALYSIS
STAR - PRESSURE DATA REPORT

REPORT NO. 125180

PAGE NO. 1

TEST DATE: 31-OCT-91

S T A R

Schlumberger Transient Data Report

Pressure Data Report
Of a Schlumberger Well Test

Schlumberger

COMPANY: CHEVRON USA, INC.

WELL: CANE CREEK #1-36 - OH-DST #1

TEST IDENTIFICATION

Test Type	OH-DST
Test No.	1
Formation	CANE CREEK
Test Interval (ft)	7100 to 7878
Depth Reference	KB

WELL LOCATION

Field	WILDCAT
County	GRAND
State	UTAH
Sec/Twn/Rng	36-27S-20E
Elevation (ft)	

HOLE CONDITIONS

Total Depth (MD/TVD) (ft)	6995
Hole Size (in)	6.0
Casing/Liner I.D. (in)	7"- 29#/FT
Perf'd Interval/Net Pay (ft)	-- / 528
Shot Density/Diameter (in)	

MUD PROPERTIES

Mud Type	VERSIDRIL
Mud Weight (lb/gal)	10
Mud Resistivity (ohm.m)	0.23 @ 68F
Filtrate Resistivity (ohm.m)	0.22 @ 68F
Filtrate Chlorides (ppm)	24000

INITIAL TEST CONDITIONS

Initial Hydrostatic (psi)	3787.40
Gas Cushion Type	
Surface Pressure (psi)	
Liquid Cushion Type	
Cushion Length (ft)	

TEST STRING CONFIGURATION

Pipe Length (ft)/I.D. (in)	6147 / 2.60
Collar Length (ft)/I.D. (in)	909 / 2.25
Packer Depths (ft)	7100
Bottomhole Choke Size (in)	0.938
Gauge Depth (ft)/Type	7079/1401

NET PIPE RECOVERY

Volume	Fluid Type	Properties
1200 ft	DRILLING MUD	Rw0.23@68F

NET SAMPLE CHAMBER RECOVERY

Volume	Fluid Type	Properties
2500 cc	Mud	Rw0.23@68F
Pressure:	GOR:0	GLR:0

INTERPRETATION RESULTS

Model of Behavior	
Fluid Type Used for Analysis	
Reservoir Pressure (psi)	
Transmissibility (md.ft/cp)	
Effective Permeability (md)	
Skin Factor/Damage Ratio	
Storativity Ratio, Omega	
Interporos.Flow Coef.,Lambda	
Distance to an Anomaly (ft)	
Radius of Investigation (ft)	
Potentiometric Surface (ft)	

ROCK/FLUID/WELLBORE PROPERTIES

Oil Density (deg. API)	
Basic Solids (%)	
Gas Gravity	
GOR (scf/STB)	
Water Cut (%)	
Viscosity (cp)	
Total Compressibility (1/psi)	
Porosity (%)	6
Reservoir Temperature (F)	110
Form.Vol.Factor (bbl/STB)	

PRODUCTION RATE DURING TEST: Data Report

COMMENTS:

THIS TEST WAS MECHANICALLY SUCCESSFUL. THIS ZONE PRODUCED DRILLING MUD INTO THE DRILLSTRING DURING THE TEST.

THE GENERAL CHARACTER OF THE BUILDUP PLOTS SUGGEST THAT THE ZONE HAS LOW EFFECTIVE PERMEABILITY AND SOME WELLBORE DAMAGE AT THE TIME AND CONDITIONS OF THE TEST.

REPORT NO. 125180
PAGE NO. 2

SEQUENCE OF EVENTS

Schlumberger

DATE	TIME (HR:MIN)	DESCRIPTION	ET (MINS)	BHP (PSIA)	WHP (PSIG)
31-OCT	06:20	SET PACKERS	-35	3787	
	06:55	START FLOW 1/8" CHOKE	0	294	
	07:00	10 1/2 OZ.	5		
	07:05	10 OZ.	10		
	07:05	END FLOW & START SHUTIN	10	1588	
	07:50	END SHUTIN	55	1033	
	07:54	RE-OPENED TOOL	59	533	
	07:59	7 OZ.	64		
	08:04	6.5 OZ.	69		
	08:09	6.5 OZ.	74		
	08:14	6.25 OZ.	79		
	08:19	6 OZ.	84		
	08:24	5.5 OZ.	89		
	08:29	4.5 OZ.	94		
	08:34	3.25 OZ.	99		
	08:39	2.25 OZ.	104		
	08:44	1.50 OZ.	109		
	08:49	1.50 OZ.	114		
	08:54	1 OZ.	119		
	08:55	1 OZ.	120		
	08:55	END FLOW & START SHUTIN	120	606	
	12:55	END SHUTIN	360	1141	
	12:58	PULLED PACKER LOOSE	363	3731	

****
** WELL TEST DATA PRINTOUT **
****

COMPANY: CHEVRON U.S.A.
WELL: CANE CREEK 1-36

FIELD REPORT NO. 125180
INSTRUMENT NO. 1401

RECORDER CAPACITY: 6400 PSI PORT OPENING: INSIDE DEPTH: 7079 FT
TEMPERATURE: 120 DEG F

LABEL POINT INFORMATION
****

#	TIME OF DAY HH:MM:SS	DATE DD-MMM	EXPLANATION	ELAPSED TIME,MIN	BOT HOLE PRESSURE PSIA
1	6:48:18	31-OCT	HYDROSTATIC MUD	-6.70	3787
2	6:55:00	31-OCT	START FLOW	0.00	294
3	7:05:08	31-OCT	BYPASSED MUD	10.14	324
4	7:06:08	31-OCT	END FLOW & START SHUT-IN	11.13	1588
5	7:50:44	31-OCT	END SHUT-IN	55.73	1033
6	7:57:04	31-OCT	START FLOW	62.07	533
7	8:53:34	31-OCT	END FLOW & START SHUT-IN	118.57	606
8	12:58:02	31-OCT	END SHUT-IN	363.04	1141
9	12:59:47	31-OCT	HYDROSTATIC MUD	364.78	3731

SUMMARY OF FLOW PERIODS
****

PERIOD	START ELAPSED TIME,MIN	END ELAPSED TIME,MIN	DURATION MIN	START PRESSURE PSIA	END PRESSURE PSIA	INITIAL PRESSURE PSIA
1	0.00	11.13	11.13	294	1588	294
2	62.07	118.57	56.50	533	606	533

SUMMARY OF SHUTIN PERIODS
****

PERIOD	START ELAPSED TIME,MIN	END ELAPSED TIME,MIN	DURATION MIN	START PRESSURE PSIA	END PRESSURE PSIA	FINAL FLOW PRESSURE PSIA	PRODUCING TIME, MIN
1	11.13	55.73	44.60	1588	1033	1588	11.13
2	118.57	363.04	244.47	606	1141	606	67.63

TEST PHASE: FLOW PERIOD # 1

TIME OF DAY HH:MM:SS	DATE DD-MMM	ELAPSED TIME,MIN	DELTA TIME,MIN	BOT HOLE PRESSURE PSIA
6:55:00	31-OCT	0.00	0.00	294
7:06:08	31-OCT	11.13	11.13	1588

TEST PHASE: SHUTIN PERIOD # 1

FINAL FLOW PRESSURE = 1588 PSIA
PRODUCING TIME = 11.13 MIN

TIME OF DAY HH:MM:SS	DATE DD-MMM	ELAPSED TIME,MIN	DELTA TIME,MIN	BOT HOLE PRESSURE PSIA	DELTA P PSI	LOG HORNER TIME
7:06:08	31-OCT	11.13	0.00	1588	0	
7:09:48	31-OCT	14.80	3.67	259	-1329	0.6056
7:11:05	31-OCT	16.09	4.96	676	-912	0.5111
7:12:10	31-OCT	17.16	6.03	692	-897	0.4542
7:13:10	31-OCT	18.16	7.03	701	-887	0.4122
7:14:26	31-OCT	19.43	8.30	718	-870	0.3694
7:16:03	31-OCT	21.05	9.92	735	-853	0.3267
7:17:57	31-OCT	22.95	11.82	756	-832	0.2882
7:21:07	31-OCT	26.12	14.99	790	-798	0.2412
7:24:02	31-OCT	29.03	17.90	821	-767	0.2100
7:27:43	31-OCT	32.71	21.58	855	-733	0.1806
7:30:02	31-OCT	35.03	23.90	877	-711	0.1660
7:32:27	31-OCT	37.45	26.32	897	-691	0.1532
7:35:12	31-OCT	40.20	29.07	920	-668	0.1408
7:37:37	31-OCT	42.62	31.49	938	-650	0.1314
7:43:48	31-OCT	48.80	37.67	985	-604	0.1124
7:49:34	31-OCT	54.56	43.43	1026	-562	0.0991
7:50:44	31-OCT	55.73	44.60	1033	-556	0.0968

TEST PHASE: FLOW PERIOD # 2

TIME OF DAY HH:MM:SS	DATE DD-MMM	ELAPSED TIME,MIN	DELTA TIME,MIN	BOT HOLE PRESSURE PSIA
7:57:04	31-OCT	62.07	0.00	533
8:13:34	31-OCT	78.56	16.49	554
8:32:37	31-OCT	97.61	35.54	583
8:50:25	31-OCT	115.41	53.34	602
8:53:34	31-OCT	118.57	56.50	606

TEST PHASE: SHUTIN PERIOD # 2

FINAL FLOW PRESSURE = 606 PSIA
PRODUCING TIME = 67.63 MIN

TIME OF DAY HH:MM:SS	DATE DD-MMM	ELAPSED TIME,MIN	DELTA TIME,MIN	BOT HOLE PRESSURE PSIA	DELTA P PSI	LOG HORNER TIME
8:53:34	31-OCT	118.57	0.00	606	0	
8:54:39	31-OCT	119.65	1.08	623	17	1.8036
8:57:23	31-OCT	122.39	3.82	625	19	1.2719

TEST PHASE: SHUTIN PERIOD # 2

FINAL FLOW PRESSURE = 606 PSIA
PRODUCING TIME = 67.63 MIN

TIME OF DAY HH:MM:SS	DATE DD-MMM	ELAPSED TIME,MIN	DELTA TIME,MIN	BOT HOLE PRESSURE PSIA	DELTA P PSI	LOG HORNER TIME
8:58:29	31-OCT	123.49	4.92	625	19	1.1687
9:00:27	31-OCT	125.45	6.88	634	28	1.0346
9:01:41	31-OCT	126.68	8.11	638	32	0.9703
9:03:22	31-OCT	128.36	9.79	644	38	0.8981
9:05:17	31-OCT	130.28	11.71	651	46	0.8309
9:07:31	31-OCT	132.51	13.94	659	54	0.7673
9:10:11	31-OCT	135.19	16.62	669	63	0.7049
9:12:48	31-OCT	137.80	19.23	679	73	0.6548
9:15:08	31-OCT	140.14	21.57	686	80	0.6165
9:17:58	31-OCT	142.96	24.39	695	90	0.5767
9:21:13	31-OCT	146.21	27.64	705	100	0.5374
9:25:27	31-OCT	150.45	31.88	720	115	0.4943
9:31:52	31-OCT	156.87	38.30	735	130	0.4418
9:38:41	31-OCT	163.68	45.11	753	147	0.3978
9:43:56	31-OCT	168.93	50.36	768	162	0.3698
9:49:41	31-OCT	174.69	56.12	782	176	0.3434
9:56:01	31-OCT	181.01	62.44	795	189	0.3187
10:01:56	31-OCT	186.94	68.37	807	201	0.2987
10:07:10	31-OCT	192.16	73.59	817	211	0.2831
10:12:11	31-OCT	197.18	78.61	826	221	0.2696
10:18:41	31-OCT	203.68	85.11	840	234	0.2540
10:25:09	31-OCT	210.15	91.58	853	248	0.2402
10:31:44	31-OCT	216.73	98.16	867	261	0.2276
10:38:07	31-OCT	223.11	104.54	880	274	0.2167
10:43:53	31-OCT	228.88	110.31	891	285	0.2077
10:49:52	31-OCT	234.86	116.29	903	297	0.1991
10:56:14	31-OCT	241.23	122.66	915	310	0.1907
11:01:20	31-OCT	246.34	127.77	926	320	0.1845
11:06:53	31-OCT	251.88	133.31	936	330	0.1782
11:13:26	31-OCT	258.44	139.87	949	344	0.1713
11:20:06	31-OCT	265.10	146.53	961	355	0.1648
11:26:10	31-OCT	271.17	152.60	971	365	0.1593
11:31:55	31-OCT	276.92	158.35	982	377	0.1545
11:39:05	31-OCT	284.09	165.52	995	390	0.1488
11:44:57	31-OCT	289.95	171.38	1006	400	0.1445
11:51:55	31-OCT	296.92	178.35	1018	412	0.1396
11:58:46	31-OCT	303.76	185.19	1031	425	0.1352
12:14:37	31-OCT	319.61	201.04	1058	452	0.1259
12:31:09	31-OCT	336.15	217.58	1086	481	0.1175
12:47:47	31-OCT	352.78	234.21	1115	509	0.1102
12:58:02	31-OCT	363.04	244.47	1141	535	0.1061

TerraTek Geoscience Services®

University Research Park - 360 Wakara Way - Salt Lake City, Utah 84108 - (801) 584-2480 - FAX (801) 584-2408

CHEVRON USA, INC

Well:	Cane Creek State 1-36	State:	Utah	Date:	4-NOV-1991
Field:	Wildcat	County:	San Juan	TTCS File #:	5056
Drilling fluid:	Oil Base	Location:	Sec.36, T27S, R20E	Elevation:	5884' KB

FULL DIAMETER DEAN-STARK ANALYSIS

Sample Number	Depth (feet)	Permeability N-S (md)	Permeability E-W (md)	Permeability Vert (md)	Porosity %	Saturation Oil %	Saturation H2O %	Grain Density (gm/cc)	Lithology
1	7026.0-27.0	.03	.27	981.	5.0	31.1	54.2	2.74 VF	Ss,mgy,vfgr,dol,calc,slty,sl/anhy,pof,of
2	7028.0-29.0	.61	.38	2.5	9.5	22.5	61.1	2.73 VF	Ss,mgy,vfgr,dol,slty,clypof,sa frac
3	7031.0-32.0	.03	.08	.02	8.8	23.9	45.9	2.76	Ss,mgy,vfgr,dol,anhy incl,aff
4	7034.0-35.0	.42+	.48+	.03	8.8	33.2	54.5	2.70	Ss,mgy,vfgr,dol,slty,mica,sl/cly
5	7036.0-37.0	1088.	.50	395.	10.9	18.1	63.2	2.73 VF	Ss,mgy,vfgr,calc,slty,cly,biot,of,cff
6	7040.0-41.0	.53+	3.2+	227.	7.2	16.0	65.2	2.73 VF	Ss,mgy,vfgr,calc,dol,slty,mica,cly,of
7	7045.0-46.0	.15	.10	.05	6.1	38.2	51.7	2.72	Ss,mgy,vfgr,dol,calc,slty,cly
8	7047.0-48.0	.19*	.34*	.12	9.1	27.6	54.8	2.72	Ss,mgy,vfgr,calc,dol,slty,cly,mica
9	7049.0-50.0	1.7	1.0	.22	9.1	25.0	49.5	2.68	Ss,mgy,vfgr,calc,cly,pof
10	7052.0-53.0	.99	1.5	.13	10.2	14.3	54.6	2.70	Ss,mgy,vfgr,calc,sl/dol,cly,sl/mica
11	7055.0-56.0	.85	.22	.10	6.5	24.7	49.2	2.76	Sltst,mgy,dol,sl/anhy,pof
12	7059.0-60.0	.36+	1.6+	27.	5.4	29.5	56.0	2.69 VF	Ss,mgy,vfgr,calc,anhy incl,cly,sa frac
13	7067.0-68.0	.15	.07	.05	3.7	12.0	55.3	2.79	Sltst,blk,dol,dism pyr,sl/sdy,sa frac
14	7077.0-78.0	.37	.44	95.	5.4	33.7	56.4	2.70 VF	Ss,mgy,vfgr,dol,slty,salt in of
15	7079.0-80.0	.05	.08	.96	2.9	35.7	44.8	2.69	Ss,mgy,vfgr,dol,slty,sl/anhy,sa frac
16	7084.0-85.0	.19	1468.	8948.	6.0	32.2	57.1	2.67 VF	Ss,mgy,vfgr,calc,slty,cly,of,sa frac
17	7086.0-87.0	.07	.06	<.01	4.3	31.0	56.0	2.66	Ss,mgy,vfgr,sil,sl/dol,slty,cly,sa
18	7094.0-95.0	.06	.06	.03	4.1	39.0	50.7	2.64	Ss,mgy,vfgr,sil,slty,cly

\+ - Dehydration crack affecting permeability
VF - Open vertical fracture present
* - Sample not oriented with respect to north line

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CHEVRON USA, INC

Well:	Cane Creek State 1-36	State:	Utah	Date:	13-NOV-1991
Field:	Wildcat	County:	San Juan	TTCS File #:	5056
Drilling fluid:	Oil Base	Location:	Sec.36, T27S, R20E	Elevation:	5884' KB

FULL DIAMETER DEAN-STARK ANALYSIS
DATA SUMMARY

Zone Number	Depth Interval (feet)	Number of Samples	Permeability N-S (md)	Permeability E-W (md)	Permeability Vert (md)	Porosity %	Saturation Oil %	Saturation H2O %	Grain Density (gm/cc)
1	7026.0-95.0	18	61. [256.2]	82. [345.9]	593. [2099.]	6.8 [2.42]	27.1 [8.11]	54.5 [5.37]	2.71 [0.03]

[] Sample Standard Deviation

Smith International, Inc.

CHEVRON U.S.A.
CANE CREEK #1-36
SEC 36-T27S-R20E
SAN JUAN COUNTY, UTAH

Calculated by Minimum Curvature Method
Vert Sect Plane: 225.00 Deg.

- RECORD OF SURVEY -

MEASURED DEPTH (FT)	INCL ANGLE (DEG)	D R I F T DIRECTION (DEG)	COURSE LENGTH (FT)	TRUE VERTICAL DEPTH	T O T A L RECTANGULAR COORDINATES (FT)		VERTICAL SECTION (FT)	BUILD RATE (DG/100')	WALK RATE (DG/100')	DOGLEG SEVERITY (DG/100')
6486.00	1.50	262.00	0.00	6484.50	46.00 N	36.60 E	-58.41	0.00	0.00	
6498.00	1.60	271.10	12.00	6496.50	45.98 N	36.28 E	-58.17	0.83	75.83	2.21
6528.00	2.40	257.40	30.00	6526.48	45.85 N	35.25 E	-57.34	2.67	-45.67	3.09
6560.00	4.20	243.00	32.00	6558.42	45.17 N	33.55 E	-55.66	5.63	-45.00	6.15
6591.00	8.00	238.50	31.00	6589.24	43.53 N	30.70 E	-52.49	12.26	-14.52	12.35
6623.00	12.20	239.90	32.00	6620.74	40.67 N	25.87 E	-47.05	13.13	4.38	13.15
6655.00	16.30	238.50	32.00	6651.75	36.63 N	19.11 E	-39.41	12.81	-4.38	12.86
6690.00	20.90	234.20	35.00	6684.91	30.40 N	9.86 E	-28.47	13.14	-12.29	13.71
6722.00	25.20	232.80	32.00	6714.35	22.94 N	0.21 W	-16.08	13.44	-4.37	13.55
6753.00	29.40	231.80	31.00	6741.89	14.24 N	11.45 W	-1.98	13.55	-3.23	13.63
6785.00	33.60	229.70	32.00	6769.17	3.66 N	24.38 W	14.65	13.13	-6.56	13.56
6815.00	37.40	226.50	30.00	6793.59	7.99 S	37.32 W	32.04	12.67	-10.67	14.10
6847.00	39.20	224.40	32.00	6818.71	21.91 S	51.45 W	51.87	5.63	-6.56	6.94
6878.00	39.90	224.00	31.00	6842.61	36.06 S	65.21 W	71.61	2.26	-1.29	2.40
6903.00	40.30	224.00	25.00	6861.73	47.64 S	76.40 W	87.71	1.60	0.00	1.60
6927.00	40.80	223.70	24.00	6879.97	58.89 S	87.21 W	103.31	2.08	-1.25	2.24
6959.00	43.10	223.70	32.00	6903.77	74.36 S	101.98 W	124.69	7.19	0.00	7.19
6988.00	47.10	223.00	29.00	6924.23	89.30 S	116.08 W	145.22	13.79	-2.41	13.90
7020.00	51.40	222.30	32.00	6945.12	107.12 S	132.50 W	169.44	13.44	-2.19	13.54
7052.00	56.10	222.30	32.00	6964.03	126.21 S	149.86 W	195.21	14.69	0.00	14.69
7084.00	60.60	222.60	32.00	6980.82	146.30 S	168.24 W	222.41	14.06	0.94	14.09
7115.00	65.10	223.70	31.00	6994.96	166.42 S	187.10 W	249.98	14.52	3.55	14.86
7148.00	69.60	224.40	33.00	7007.67	188.30 S	208.28 W	280.42	13.64	2.12	13.78
7179.00	74.20	224.40	31.00	7017.30	209.34 S	228.89 W	309.88	14.84	0.00	14.84
7210.00	78.70	224.00	31.00	7024.56	230.94 S	249.89 W	340.00	14.52	-1.29	14.57
7241.00	83.40	224.00	31.00	7029.38	252.97 S	271.16 W	370.61	15.16	0.00	15.16
7273.00	87.70	224.70	32.00	7031.86	275.77 S	293.45 W	402.50	13.44	2.19	13.61
7304.00	89.80	225.40	31.00	7032.54	297.67 S	315.39 W	433.50	6.77	2.26	7.14
7403.00	93.30	226.70	99.00	7029.86	366.34 S	386.62 W	532.43	3.54	1.31	3.77
7435.00	93.50	228.80	32.00	7027.96	387.82 S	410.27 W	564.33	0.63	6.56	6.58
7466.00	93.30	227.40	31.00	7026.12	408.48 S	433.30 W	595.23	-0.65	-4.52	4.55
7498.00	93.70	228.10	32.00	7024.17	429.96 S	456.94 W	627.13	1.25	2.19	2.52
7529.00	93.30	226.80	31.00	7022.28	450.88 S	479.74 W	658.05	-1.29	-4.19	4.38

Smith International, Inc.

CHEVRON U.S.A.
CANE CREEK #1-36
SEC 36-T27S-R20E
SAN JUAN COUNTY, UTAH

Calculated by Minimum Curvature Method
Vert Sect Plane: 225.00 Deg.

- RECORD OF SURVEY -

MEASURED DEPTH (FT)	INCL ANGLE (DEG)	D R I F T DIRECTION (DEG)	COURSE LENGTH (FT)	TRUE VERTICAL DEPTH	T O T A L RECTANGULAR COORDINATES (FT)		VERTICAL SECTION (FT)	BUILD RATE (DG/100')	WALK RATE (DG/100')	DOGLEG SEVERITY (DG/100')
7560.00	94.50	226.90	31.00	7020.17	472.03 S	502.30 W	688.96	3.87	0.32	3.88
7591.00	94.50	226.60	31.00	7017.74	493.21 S	524.81 W	719.85	0.00	-0.97	0.96
7621.00	94.20	226.60	30.00	7015.46	513.76 S	546.54 W	749.75	-1.00	0.00	1.00
7652.00	94.40	226.20	31.00	7013.14	535.08 S	568.93 W	780.65	0.65	-1.29	1.44
7683.00	94.70	227.60	31.00	7010.68	556.19 S	591.49 W	811.54	0.97	4.52	4.60
7715.00	94.70	227.60	32.00	7008.05	577.70 S	615.04 W	843.40	0.00	0.00	0.00
7747.00	93.00	226.80	32.00	7005.91	599.39 S	638.47 W	875.30	-5.31	-2.50	5.87
7779.00	92.60	226.80	32.00	7004.34	621.27 S	661.77 W	907.25	-1.25	0.00	1.25
7810.00	92.80	227.00	31.00	7002.88	642.43 S	684.38 W	938.19	0.65	0.65	0.91
7841.00	92.90	227.80	31.00	7001.34	663.39 S	707.17 W	969.13	0.32	2.58	2.60
7886.00	92.80	228.00	45.00	6999.10	693.52 S	740.52 W	1014.02	-0.22	0.44	0.50
7917.00	94.20	228.90	31.00	6997.21	714.04 S	763.67 W	1044.90	4.52	2.90	5.37
7948.00	94.40	228.40	31.00	6994.89	734.46 S	786.88 W	1075.75	0.65	-1.61	1.73
7979.00	93.80	229.20	31.00	6992.67	754.83 S	810.14 W	1106.60	-1.94	2.58	3.22
8010.00	92.90	230.50	31.00	6990.86	774.78 S	833.80 W	1137.44	-2.90	4.19	5.09
8042.00	92.90	228.90	32.00	6989.24	795.45 S	858.17 W	1169.29	0.00	-5.00	4.99
8073.00	91.50	229.60	31.00	6988.05	815.67 S	881.64 W	1200.18	-4.52	2.26	5.05
8104.00	91.00	230.10	31.00	6987.37	835.66 S	905.33 W	1231.06	-1.61	1.61	2.28
8135.00	89.60	229.30	31.00	6987.21	855.71 S	928.97 W	1261.95	-4.52	-2.58	5.20
8166.00	89.30	229.20	31.00	6987.51	875.94 S	952.45 W	1292.87	-0.97	-0.32	1.02
8197.00	89.20	229.30	31.00	6987.91	896.18 S	975.93 W	1323.78	-0.32	0.32	0.46
8228.00	89.20	229.70	31.00	6988.35	916.31 S	999.50 W	1354.68	0.00	1.29	1.29
8260.00	89.20	229.80	32.00	6988.79	936.98 S	1023.92 W	1386.57	0.00	0.31	0.31
8291.00	88.30	230.70	31.00	6989.47	956.80 S	1047.75 W	1417.43	-2.90	2.90	4.11
8323.00	88.20	231.40	32.00	6990.45	976.90 S	1072.63 W	1449.24	-0.31	2.19	2.21
8355.00	89.20	231.00	32.00	6991.17	996.95 S	1097.56 W	1481.04	3.13	-1.25	3.37
8386.00	89.60	229.40	31.00	6991.50	1016.79 S	1121.37 W	1511.91	1.29	-5.16	5.32
8417.00	89.90	229.50	31.00	6991.63	1036.95 S	1144.93 W	1542.82	0.97	0.32	1.02
8449.00	91.10	228.60	32.00	6991.35	1057.92 S	1169.10 W	1574.74	3.75	-2.81	4.69
8481.00	91.50	228.20	32.00	6990.63	1079.16 S	1193.02 W	1606.67	1.25	-1.25	1.77
8512.00	91.60	229.00	31.00	6989.79	1099.65 S	1216.26 W	1637.60	0.32	2.58	2.60
8544.00	91.60	228.20	32.00	6988.90	1120.80 S	1240.26 W	1669.52	0.00	-2.50	2.50
8575.00	91.30	228.90	31.00	6988.11	1141.32 S	1263.49 W	1700.45	-0.97	2.26	2.46

Smith International, Inc.

CHEVRON U.S.A.
CANE CREEK #1-36
SEC 36-T27S-R20E
SAN JUAN COUNTY, UTAH

Calculated by Minimum Curvature Method
Vert Sect Plane: 225.00 Deg.

- RECORD OF SURVEY -

MEASURED DEPTH (FT)	INCL ANGLE (DEG)	DRIFT DIRECTION (DEG)	COURSE LENGTH (FT)	TRUE VERTICAL DEPTH	TOTAL RECTANGULAR COORDINATES (FT)		VERTICAL SECTION (FT)	BUILD RATE (DG/100')	WALK RATE (DG/100')	DOGLEG SEVERITY (DG/100')
8607.00	90.80	229.60	32.00	6987.53	1162.20 S	1287.72 W	1732.36	-1.56	2.19	2.69
8636.00	90.00	228.90	29.00	6987.32	1181.13 S	1309.69 W	1761.28	-2.76	-2.41	3.67
8667.00	89.90	228.80	31.00	6987.35	1201.53 S	1333.03 W	1792.21	-0.32	-0.32	0.46
8698.00	91.00	228.90	31.00	6987.11	1221.93 S	1356.38 W	1823.14	3.55	0.32	3.56
8730.00	91.00	229.20	32.00	6986.55	1242.90 S	1380.54 W	1855.05	0.00	0.94	0.94
8761.00	90.90	230.90	31.00	6986.03	1262.80 S	1404.30 W	1885.93	-0.32	5.48	5.49
8792.00	90.50	229.40	31.00	6985.66	1282.66 S	1428.10 W	1916.80	-1.29	-4.84	5.01
8821.00	90.20	229.30	29.00	6985.48	1301.55 S	1450.10 W	1945.71	-1.03	-0.34	1.09
8852.00	90.40	228.60	31.00	6985.32	1321.91 S	1473.48 W	1976.64	0.65	-2.26	2.35
8884.00	90.40	228.20	32.00	6985.09	1343.16 S	1497.41 W	2008.58	0.00	-1.25	1.25
8916.00	90.20	228.20	32.00	6984.92	1364.49 S	1521.26 W	2040.53	-0.63	0.00	0.62
8947.00	89.90	229.00	31.00	6984.90	1384.99 S	1544.52 W	2071.47	-0.97	2.58	2.76
8979.00	89.60	229.70	32.00	6985.04	1405.83 S	1568.79 W	2103.38	-0.94	2.19	2.38
9011.00	89.40	230.70	32.00	6985.32	1426.31 S	1593.38 W	2135.24	-0.62	3.13	3.19
9042.00	91.20	231.20	31.00	6985.15	1445.84 S	1617.45 W	2166.08	5.81	1.61	6.03
9073.00	91.50	231.80	31.00	6984.42	1465.14 S	1641.70 W	2196.87	0.97	1.94	2.16
9105.00	91.00	231.80	32.00	6983.73	1484.92 S	1666.85 W	2228.63	-1.56	0.00	1.56
9137.00	91.00	232.40	32.00	6983.17	1504.57 S	1692.09 W	2260.38	0.00	1.87	1.87
9168.00	90.80	232.90	31.00	6982.68	1523.38 S	1716.73 W	2291.10	-0.65	1.61	1.74
9199.00	90.40	232.00	31.00	6982.36	1542.27 S	1741.31 W	2321.84	-1.29	-2.90	3.18
9230.00	89.10	232.20	31.00	6982.49	1561.31 S	1765.77 W	2352.60	-4.19	0.65	4.24
9267.00	88.50	232.20	37.00	6983.27	1583.98 S	1795.00 W	2389.30	-1.62	0.00	1.62